



## HOME NEWS

## Security forces shot at in Ulster poll day violence

From Christopher Walker

Belfast: A shot from a high-velocity weapon was fired at two policemen in one of several violent incidents in Belfast yesterday as voters went to the polls in local council elections. The elections will provide the first test of public opinion in Northern Ireland for more than two years.

The policemen were patrolling near a Protestant primary school being used as a polling station in the troubled Suffolk district. The attack was regarded as an attempt by the Provisional IRA to intimidate voters.

The IRA was also thought to have been responsible for an attack in west Belfast when shots were fired at an army patrol. No one was injured.

The staunchly republican Falls Road district voters had to pass through pickets placed by Provisional IRA sympathizers around some polling stations. The pickets were carrying placards demanding political status for republican prisoners.

There were many reports of personation, the particularly Irish voting practice in which the names of dead people are used to cast votes and the names of the living misused by their political rivals to spoil papers.

Most of the complaints came from the predominantly republican districts in west Belfast, where Provisional IRA opposition to elections is widespread. Mr Fadden Devlin, the leading member of the Social Democratic and Labour Party, asserted that several people had discovered that votes had already been cast in their names when

## Building societies' head sees cheaper mortgages soon

By Margaret Stone

Mr Raymond Potter, the outgoing chairman of the Building Societies Association, yesterday reaffirmed the widely held view that a fall in the mortgage interest rate is likely soon.

He told the association's annual meeting at Earls Court that a cut is clearly on the cards in the near future. Mr Potter made a vigorous attack on the movement's critics, particularly those who believed that the mortgage rate should be lower.

"I would emphasize," he said, "that building societies are mutual organizations and that the investor, who after all supplies the funds, is at least as worthy of consideration, if not more so, than the borrower, who after all has the benefit of tax relief on his mortgage."

He argued that, as the building societies are in business to raise money, to lend to borrowers to buy houses, the societies would not be fulfilling that object if they could not attract funds because of a lower investment rate.

Another issue referred to by Mr Potter was the rehabilitation of derelict city centres. He said: "Given adequate funds and a continuance of the cooperation between local authorities and building societies, I hope that we can play our part in helping to try to solve this problem."

But he added that there were "certain houses which for one reason or another, whether it be their condition or planning blight, no responsible lending institution either public or private should encourage people to buy."

Business News Diary, page 23

## Tube bomb 'intended for crowds from City'

they arrived at the polling booth.

In the Markets area near the city centre the Army caused controversy when soldiers intervened in an apparent personal campaign. An officer became suspicious when three youths were seen going in and out of a polling station. When questioned two gave false names and the third the name of a dead man.

Two "loyalist" candidates, one of whom was Mr James Stewart, deputy Lord Mayor of Belfast, were involved in a scuffle over possession of a derelict house being used as a tally room.

Last night voting boxes were under army and police guard. The counting will start this morning in an election that is expected to have significant effects for the future shape of Unionist politics.

The campaign has been marked by rivalry between two parties that until recently were partners in the distinct loyalist coalition of the Orange Unionists, led by Mr Harry West, and the Democratic Unionist Party, led by the Rev Ian Paisley.

Mr Paisley took a large advertisement in yesterday's Belfast News Letter to attack Mr West for his party's opposition to the recent abortive loyalist strike. Mr West described the advertisement as a deceitful smear campaign.

If the results show a sizable swing away from the extreme loyalists party, it is expected that the Government will start a new round of talks aimed at achieving agreement between the communities about a form of devolved government.

At the meeting, Mr Ralph Studd, managing director of the Cheltenham and Gloucester Society, was elected the new chairman of the association, and Mr Leonard Williams, chief general manager of the Nationwide, was elected as deputy chairman.

Red-lining charges: Accusations of "red-lining", the delusion of certain inner city areas within which mortgages are automatically refused, are to be raised again at the annual meeting of the Halifax Building Society next Monday.

With the backing of Shelter, Mr Ross Midgley, a Halifax investor, will accuse the society of "arbitrary and indefensible discrimination". Shelter says that societies as a whole are failing to meet their commitment to fill the gap left by cuts in local authority lending.

The trial continues today.

## Royal Society of Health officials resign

By John Roper

Mr Derrick Wilson, secretary of the Royal Society of Health, and Mr Norman Millard, finance and administration manager, resigned from the society yesterday.

Mr Wilson has been secretary since 1973. His predecessor held the post for 20 years. Mr Millard joined the society in January, 1975.

They declined to give reasons for their resignation. Mr Wilson said: "This has happened at short notice."

A special meeting of the council yesterday accepted the resignations. It is understood that Mr Wilson's is over a difference in style of management. He went to the society from a body not run by a council responsible for a voluntary organization. Increasing friction developed.

Business News Diary, page 23

## Liberal MPs seem happy to continue pact

By David Leigh

Political Staff

Mr David Steel, whose Liberal pact with the Government is keeping it in office, faces a stiff challenge on Saturday. He is likely to tell depressed and mutinous party members in Birmingham that the pact will not be renewed next session if the Government slides off the hook of firm pay controls.

The Liberal leader still believes that the pact is a success, despite the apparent attitude of the voters. Clearly he hopes that the next two by-elections, in Saffron Walden and probably at Liverpool, Edge Hill will turn the tide.

Liberals think they might even win Edge Hill, where Sir Arthur Irvine faces rejection by his local Labour Party.

But there are two obstacles for him and for the Labour Government (and thereafter). The action group on the Liberal Council meet on Saturday, and many of them are unhappy because the pact has cost votes.

He also told the police that the train driver, Mrs Joseph Stephen, whom he is accused of murdering, made a grab for him after the explosion and he had to shoot him.

On March 26, in another interview, Mr Donnelly agreed that he had lived at a flat in Bonham Road, Brixton, and said he had declared war on England.

Mr Donnelly also said that he believed that his aunt, Mrs Sarah Donnelly, aged 46, of Harleyford Road, Kennington, in the dock with him, had been sentenced to death by the police action.

Earlier Mr Leary referred to interviews Mrs Donnelly had had with the police. She told them she knew nothing about bombings, and added: "Vincent was the black sheep of the family". She did not know if he was a member of the IRA.

Mr Leary said Mrs Donnelly's home was a "messenger box and meeting place" for men she knew were terrorists engaged in bombing. She assisted Brendan Swords, one of the alleged conspirators, who escaped to Ireland.

For the rest of the day the jury heard Crown counsel read statements from witnesses to the bombing incidents, beginning with the one at Oxford Circus tube station on Friday, May 13.

The station was closed, passengers taken to safety, trains routed non-stop through the station and the bomb placed in a locked dustbin cupboard until it could be defused.

The trial continues today.

There is also a resolution for debate with a long list of demands Liberals should make of the Government. They include repeal of the Official Secrets Act, a tax-credit system, a national minimum wage, an end to social service cuts, alternative technology instead of nuclear power, nuclear disarmament, and help for home owners and small businessmen.

Mr Steel is likely to tell party workers that the MPs made the agreement, and the MPs will decide what to do about it.

He is also more in favour of a second resolution, presented by the council committee which welcomes the pact and keeps to the Liberals' present shopping basket: devolution, electoral reform, civil liberties, industrial democracy and pay negotiation.

Mr Steel is expected to see the Prime Minister soon and complain that the Government appears to be moving away from the original phase three idea of a settlement below 10 per cent.

Senior Liberals are making clear that they have serious qualms about a "rampantly in-

flationary" phase two and if one comes about they will not see the point of renewing the agreement.

They also fear that a stalling operation is taking place over direct elections to Europe, with some ministers refusing to accept that the pact binds Labour to introduce a Bill in this session.

That is fairly elastic: Liberals and ministers have discussed either extending the session to December or cutting it off as early as July, to organize a new legislative programme. But Liberals also want a proportional representation written into the Government's Bill from the beginning, to put it to a free vote later.

On devolution, Liberals are delighted with progress made in more than a dozen constituencies. They seem reasonably confident that ministers have been persuaded to split Wales from Scotland in a new Bill.

Plans to give the assembly below 10 per cent.

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flationary" phase two and if one comes about they will not see the point of renewing the agreement.

They seem quite pleased with it. If by next month devolution and direct elections can be added to the list of Liberal accomplishments, and if pay policy takes a satisfactory form, the omens appear extremely good for the Liberal bride wanting to continue the marriage, shotgun or not.

## Attack over economy by left wing of NEC

Seven left-wing members of the Labour Party NEC, including Miss Joan Lester, this evening, began a campaign last night to reopend debate on the Government's economic strategy.

The Prime Minister has repeatedly said that there will be no change in Government policy, by Miss Lester and other colleagues have tabled motion for next week's meeting of the national executive to re-examine the terms of the International Monetary Fund.

Those who have signed the motion are: Mr Eric F. (Liverpool, Walton), Miss Norman Atkinson (Harrow, Torquay), Miss Lena (Camden, Holborn and St Pancras, South), Mr Ian (Tower Hamlets, Bethnal Green and Bow), Miss Joan Lester (Sheffield, Brightside), Frank Allam (Salford).

Mr Callaghan and his ministerial colleagues who will not sign the motion.

The same seven MPs tabled a second motion, states that the NEC "believe that the time has come for Government to give notice to their EEC partners that can no longer participate in Common Market Agricultural Policy, which has caused food prices, putting an burden on to the shoulder of the British people".

The union has deferred a decision on whether to support a new pay restraint until the Government puts forward specific proposals.

Next month delegates to the conference of the 400,000-strong National and Local Government Officers Association are likely to press their leaders to withdraw from the social contract on the ground that the Government's promises have not been fulfilled.

By Our Political Reporter

Fears that the National Front might benefit from posed state financial difficulties and that its policies should be right were expressed at a meeting of the Parliamentary Labour Party yesterday.

Mr Thomas Urwin (Harrow, Spring), chairman of the NEC, told the conference that there should be no return to free collective bargaining. He added: "We must see if we can give negotiations more elbow-room to deal with some of the difficulties which we have never seen before" unless it restores the former system of pay bargaining.

Delegates representing 45,000 firemen were told by their

president, Mr Enoch Powell, that the union is supporting Civil Service, to reject a range of pay formulae and to go with other unions to convince the Government that it must radically alter its economic policies.

The only way this country's problems can be solved is by a Labour Government working through socialist measures."

But Mr Urwin, Home Secretary, told the conference that there should be no return to free collective bargaining. He added: "We must see if we can give negotiations more elbow-room to deal with some of the difficulties which we have never seen before" unless it restores the former system of pay bargaining.

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## Prime Minister concedes 'elbow-room' on pay

By Tim Jones

The Prime Minister yesterday conceded that trade union negotiators must have some elbow-room after phase two of the pay policy expires, but he said they should not try to secure increases which either require the Government to "confess" money or cause more unemployment.

Addressing the conference of the Transport, Salaries and Staffs Association, in Great Yarmouth, Mr Callaghan said there was a "considerable degree of certainty" that a third phase would not involve another cut in living standards.

Banning the table in front of

him, Mr Callaghan said: "I beg all trade unionists: let us not have productivity agreements that are just cosmetic, that will merely disguise the true intent. They will only serve to convince the Government that it must radically alter its economic policies."

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Addressing the conference of the Fire Brigades Union, Mr Callaghan said that the pay code had been "revised to deal with some of the difficulties which we have never seen before" unless it restores the former system of pay bargaining.

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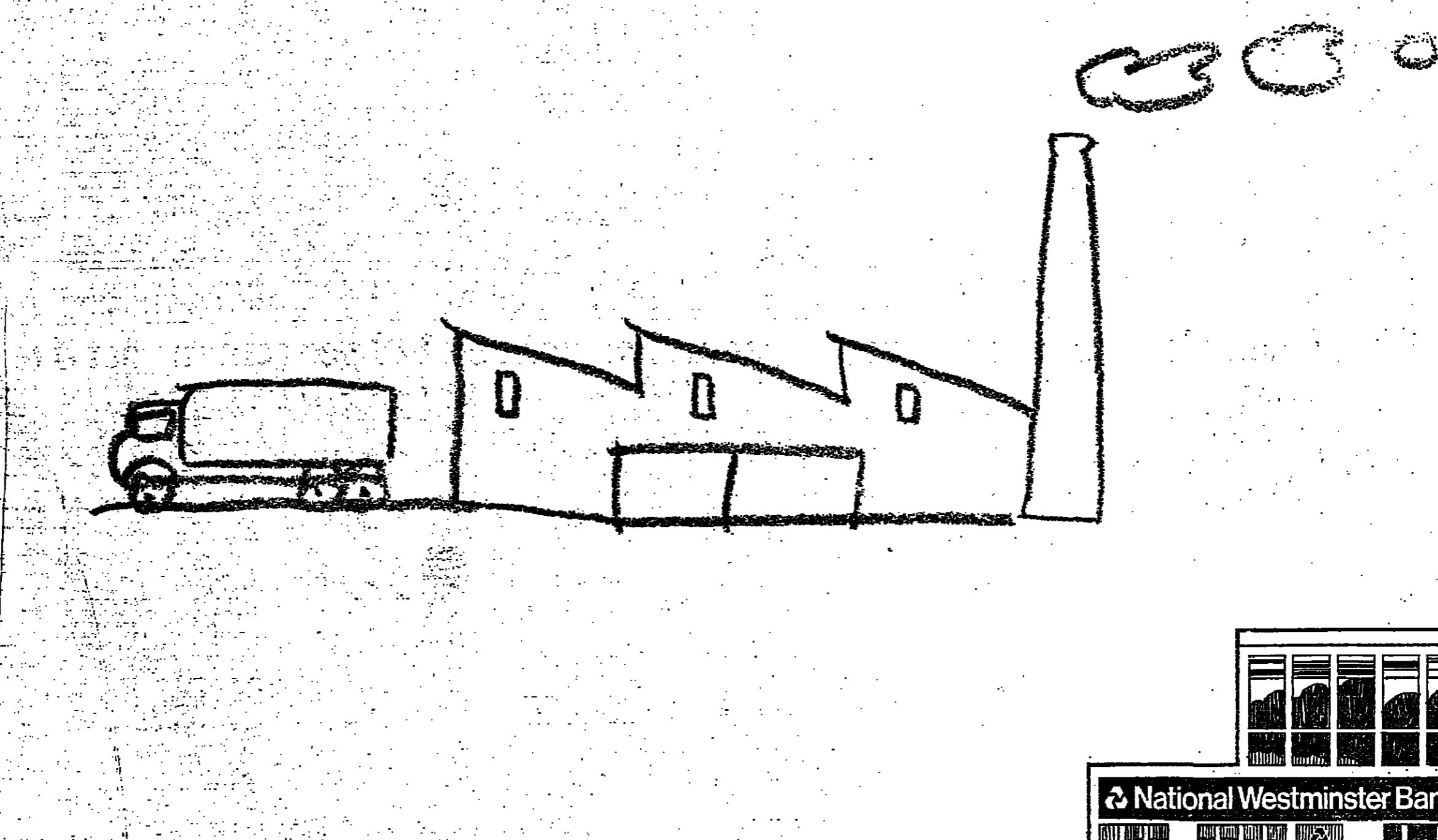
The conference of the Fire Brigades Union

Attack of  
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 NatWest

## HOME NEWS

## Scientists unable to satisfy doubters about nuclear safety

From Peter Hennessy

Scientists from the Atomic Energy Authority yesterday attempted to assuage public fears and the doubts of the scientific community about the safety of second-generation nuclear power at the annual conference of the Institution of Professional Civil Servants, at Scarborough.

The institution, which represents 100,000 officials in the scientific, technical and professional grades of the Civil Service, has taken upon itself the duty of providing a public lead on the nuclear debate. Its membership embraces the full range of opinion among government scientists.

Mr Denis Logsdail, a principal scientific officer researching methods of reprocessing nuclear fuel for the Atomic Energy Authority at Harwell, said work was in progress on the disposal of nuclear waste without hazard. He gave a warning against judging future technology by the standards of the present.

The dangers of proliferation could be avoided if reprocessing was limited to "centres of excellence" such as Windscale, under close international inspection.

Replies to fears that terrorists might use waste to construct nuclear weapons, Mr Logsdail said, it would not be easy to steal plutonium or to convert it into bomb. "It is incredible that any self-respecting society should abandon nuclear power through surrendering to threats as yet unmade from terrorist groups," he said.

Mr Rodney Fordham, a principal professional and technology officer working on the safety of nuclear reactors at Culcheth, Lancashire, said that only nuclear power could guarantee the continuation of present standards of life beyond the 1990s. The nuclear option would not be available to a government unless the long-term development of the nuclear industry was undertaken.

The atomic scientists failed to

## Nine million elm trees dead, dying or infected

From Ronald Faus

Edinburgh

Next to fire the Forestry Commission regards Dutch elm disease as the greatest threat to the British landscape. As the first flush of spring greenery comes to elms throughout Britain local authorities will be counting the latest toll of silent devastation caused by the disease.

Of the 22 million elms in Britain nine million are now dead, dying or infected. Fewer than two million of the dead trees have been felled, chiefly because of the sweeping progress of the disease's aggressive spread which has shot Spice in the diabolical woodpecker can turn a graceful elm into a crippled skeleton.

The debate proved inconclusive. Dr John Sargeant, a botanist with the Agricultural Research Council, failed in his attempt to overturn the institution's policy of seeking "a major and expanding role for nuclear power".

But the Flowers report, published last September by the Royal Commission on Environmental Pollution, had the effect of softening the institution's earlier line on nuclear energy. For its executive committee, Miss Margaret Platt, assistant general secretary, recommended a nuclear fuel reprocessing and fast-breeder reactors, urging the Government to keep open all its options, including the nuclear one, in planning to fill the energy gap of the 1990s.

"Snipers" condemned: Lord Pearl, Lord Privy Seal, yesterday called for an end to the vilification of the Civil Service. Those who "snipe and sneer on slender evidence" should realize the damage they could do to a body that was widely regarded as second to none in the world, he said.

Addressing the annual conference of the Inland Revenue Staff Federation, at Peebles, he said it was difficult to persuade specialist civil servants to forsake "the promise of future scientific glory" for a career in administration, which was a specialism in its own right.

## Helicopter pilots' strike halts airport services

From Our Own Correspondent

Aberdeen

All scheduled flights from Aberdeen airport were stopped yesterday as Bristol helicopter pilots widened their strike action. Firemen and apron workers were asked not to cross the pilots' picket line and about 2,000 passengers had to use alternative transport or defer travel plans.

The strike, now in its fifth week, is over a dismissal of a Bristol pilot, who refused to accept a foreign posting. All British Airways helicopter flights between Aberdeen and the North Sea oilfields were reported to be grounded yesterday when their pilots, members

of the British Air Line Pilots Association (Balpa), refused to cross the picket line.

Last night the strike committee said the airport would be operating normally from today but similar action would be considered if there was no movement towards an honourable settlement of the dispute in the next few days.

Picketing of the Bristol base at Aberdeen and of the BP refinery at Grangemouth will continue today. The strikers said railway traffic from the refinery was halted yesterday, except for two trains carrying jet fuel for the RAF and diesel for British Rail. BP said operations at the refinery had not been impaired.

## £11,700 award in Basle air crash test case

From Our Own Correspondent

The widower of one of the victims of the Basle air crash, which killed 77 women from four Somerset villages in 1973, was awarded £11,700 damages at a private High Court hearing in London yesterday. The claim, by Mr Harry Heritage, aged 53, of Croft End, Cheddar, against Invicta International Airlines, is seen as a test case for other relatives seeking compensation.

The crash also killed 17-year-old 10 children and four of the crew. Invicta consented to the award, relatives of people killed in air crashes are automatically

entitled to up to £11,700 without having to prove negligence. Yesterday's hearing means that people claiming up to that limit will not be precluded from trying to establish claims for higher sums. About twenty people are seeking more than £11,700.

Mr Heritage's wife was one of the women from the villages of Axbridge, Cheddar, Congresbury and Wrighton who paid £16,500 each for a one-day shopping trip to Switzerland on an Invicta charter flight organized by the Ladies' Guild of Axbridge. Their Vanguard aircraft hit a mountain during a snowstorm.

## Financial crisis for some law centres

By Our Legal Correspondent

Neighbourhood law centres relying on funds from the Lord Chancellor's Department are facing a financial crisis and the possibility of having to reduce significantly the services they offer clients.

Legal workers representing seven centres, and one legal advice centre, lobbied MPs yesterday, saying that the Government had agreed to provide only £200,000 of the £250,000 last year to sustain services at last year's level.

The law centres affected are in Newham, North Kensington, Holloway, and Tower Hamlets (all in London), Adamstown (Cardiff), Salford (Bolton) and Brighton. Most other law centres are financed mainly by local authorities.

## BBC tries to stop cup disruption

A High Court judge is expected to rule today on a BBC application for an injunction preventing the Association of Broadcasters and Allied Staffs taking action to stop the television relay to South Africa of Saturday's FA Cup Final.

The BBC is seeking to restrain the association from taking industrial action in "service of a political aim". Thirty-six countries, in addition to South Africa, are due to receive the BBC transmission, almost half of them by the same satellite as that carrying the South African relay.

## Unemployment among young people has risen by 120 per cent in past five years

By Christopher Thomas

Labour Reporter

The Manpower Services Commission yesterday published the findings of a thorough study of unemployment among young people, conducted by a working party that included representatives of the CBI, TUC, the careers service and government departments, as well as the various arms of the commission. The following is a summary of the conclusions.

There has been a great deal of concern at the deterioration in the employment prospects of school leavers and young people. The number of leavers and young people unemployed has risen sharply during the last two years.

There is a good deal of scattered and isolated evidence which suggests that employers have been cutting back on their intake of young people, at least in part out of preference for older workers. Many of those affected concerned first year leavers and young people in their late teens.

One of the issues is whether the problem of unemployment among young people is a structural one of declining job opportunities and mismatch between the supply of and demand for labour, or whether it is a cyclical phenomenon caused by the existing high level of unemployment generally, and is therefore likely to diminish as unemployment falls.

The level of youth unemployment must, however, be seen along with the qualitative aspects of the problem. Many young people who do not seek jobs have appropriate basic skills. The real issue is the level of unemployment, is our concern.

About a third of young people are employed in manufacturing, but significant numbers are employed in construction, distribution (especially girls) and miscellaneous services.

Some 25 per cent of young

people entered apprenticeships, about 20 per cent clerical occupations, and about a third went into "other employment" which effectively means a job with little or no training.

The main features of the general trend in unemployment of young people since 1971 are:

1. Unemployment among young people (16-17-year-olds) rose by 120 per cent between January 1972 and January 1975, from 4.5 per cent to 10.5 per cent among the working population as a whole.

2. The number of young people (under 20s) registered as unemployed with the careers service at the end of 1976 was 30,000 in March 1974, 73,000 in March 1975 and 110,000 in March 1976.

3. Unemployment for young people (16-17-year-olds) has increased as a proportion of the working population from 5.4 per cent in January 1971, to 9 per cent in January 1977. These percentages are based on careers service figures and exclude people who are not officially registered with the ESA registrants would worsen the picture.

4. Girls have been more affected than boys. Unemployment of girls (16-17-year-olds) as a proportion of the working population of 16-17-year-olds) rose from 3.5 per cent in January 1970, to 4.9 per cent in January 1977.

5. Unemployment among social groups has also increased substantially. For example, the number of unemployed 16 and 17 year old Commonwealth immigrants (first or second generation) doubled between February 1973 and 1977.

Young people have also experienced a sharp increase in the duration of unemployment. Normally young people do not stay on the unemployment register for as long as other age groups.

For Great Britain as a whole unemployment among young people was 8.8 per cent of total unemployment in January 1977.

The main results of surveys of

employers, young people and unemployed young people were:

1. About half the employers interviewed believed that the failure of young people had deteriorated over the past five years in terms of motivation and basic education. Particular disappointment was voiced at the quality of recruits to skilled manual jobs.

2. Most employers look for a good attitude and a better basic education among young people. Those who turn young people down do so because of students' personal appearance/manners, and inadequate knowledge of work.

3. More unemployed young people are actively seeking jobs; 40 per cent of those interviewed had applied for more than six jobs and very few had refused an offer.

The survey indicates a high level of unemployment among other members of their households: 14 per cent of unemployed young people reported that brothers or sisters were unemployed; 22 per cent that brothers or sisters were unemployed; and 15 per cent were living in households where no one was in full-time employment.

4. Most employers will continue to recruit from the labour market.

Structural changes will affect young people's opportunities for work.

5. The number of young people entering the labour market is expected to rise each year until 1981: 50,000 more young people are expected to enter the labour market in 1981 than in 1976 and there is likely to be an increasing number of 15 and 16 year olds.

The main results of surveys of

full-time education after the age of 16 but not going on for higher education.

After 1981 the numbers of young people entering the labour market will decline, but not fall in absolute terms in this age group.

However, for at least the next five years there will be more young people seeking jobs each year and they will be competing for those with an increasing number of older workers.

Whether unemployment among young people is a structural or cyclical phenomenon there will be significant improvements if total unemployment remains high or falls only slowly.

Demand for unskilled and unqualified workers will continue to

fall rapidly; young people with low qualifications are the most vulnerable.

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## Shawcross attack on Mr Foot's style

By a Staff Reporter

Lord Shawcross, QC, the former Attorney General, in a speech to the Commons yesterday for his remarks about unions and the judiciary.

Addressing a meeting of Wider Share Ownership Co in London, Lord Shawcross rejected Mr Foot's comment that judges had shown a "against trade union interests".

"That raining, rising, times almost screaming v that I listened to last Saturday reminded me more than anything else of Hitler", he said. "And some of the content, Mr Foot, once thought not such a good parliament seems to be developing all instincts of a dictator. Especially, he is too old to be one."

Lord Shawcross added: "contrary to Mr Foot's remarks to the Union of Post Office Workers, judges had been great protectors of the free of the individual, a freedom Foot did not appear to acknowledge. "He was talking of freedom of trade unions, their officials, to interfere what used to be thought rights or my rights", said Shawcross.

Mr Foot's claim that his comments were intended in historical context was naive, he was delivered, said Lord Shawcross.

Lord Shawcross said: "I sought to protect citizens against the abuse of state power. Where Acts of Parliament give powers to the executive, or to statutory bodies, trade unions, it is true that judges try to interpret the powers in whatever way encroach least upon individuals," he added.

Letters, page

## Rate rise 'might kill Welsh Rugby Union'

Fears that the Welsh Rugby Union might be forced out of existence were raised at a valuation court in Cardiff yesterday.

Mr Kenneth Harris, union's treasurer for 25 years, told the court that the decision to raise the taxable value of Cardiff Arms Park from £8,000 to £26,000 would force union out of Cardiff and might eventually lead to its collapse.

Mr Colin Ryland, representing the union, described the basis on which the rates had been calculated as "absolutely absurd". Comparing the A Park rates with Twickenham Park, Mr Ryland said the England stadium, with its capacity 70,000, had a valuation £30,000. For Murrayfield, an 80,000 capacity and which substantially

## HOME NEWS

## Rail fares rises will depend on inflation level, chairman says

By Michael Daly

British Rail improved operating results and cut costs in port despite recession and inflation last year. Mr Peter Parker discloses in his first annual report as chairman. But the success was short-term, he says, having been bought "at a calculated cost in terms of the future".

The obligations imposed on the railways in 1974 are increasingly in conflict with the limits imposed in 1975 and 1976, he says, and there is an urgent need for a coherent policy towards the railways in the forthcoming White Paper.

Passenger traffic dropped 5 per cent. to 17,800 million passenger miles after a series of fare rises that brought in extra £250m over three years. But for the last fare rise in March to the end of the year traffic rose by 6 per cent. and that trend is continuing in 1977, despite a further fare rise in January.

On the prospect of higher fares this autumn, Mr Parker remains slightly equivocal. The January increase should take care of inflation until the autumn, he says, and having raised fares to their proper market levels the board hopes that further rises will be no greater than inflation, except where competitive quality justifies more.

To the extent that inflation is held at the level predicted by the Government and to the extent that the market responds to our selling activities, so will depend any action we need to take on levels of fares in the autumn.

There is no flinching from the fact that London and South East commuters are at the heart of the fare issue, Mr Parker says. "We remain convinced that our mode is the most efficient for bringing 400,000 workers into London each day. And we remain resolute in trying to make cost reductions throughout the operation.

That said, however, the riddle remains: if there are drastic increases in real terms

there will be an inevitable dislocation of traffic, and while Government payments to British Rail under the terms of the annual contract may be reduced, the subsidy per head will increase.

Freight traffic increased marginally by 10 tonnes to 19.6m. Gross income from freight rose by 5 per cent. to £207m, but the freight deficit was cut from £55m to £35m.

Moreover, including grants, rose from £1,268m in 1975 to £1,440m, producing an operating surplus, after grants, but before interest, of £28m compared with a deficit of £15m in 1975, an improvement of 242m. After interest and finance charges there was a deficit of £30m, compared with £65m.

State support, including passenger payments, was cut from £507m in 1975 to £420m, and there will be further reductions in both passenger and freight subsidies this year.

Productivity, Mr Parker says, is "the rock on which we must build the future of the railways". Manpower on all the board's undertakings fell through a policy of natural wastage, by 8,000 to 252,000, while railway manpower fell by 7,000 to 183,000.

But productivity is more than manpower reduction; it is dependent on utilizing the system, adequate investment, and a continuation of the good industrial relations to take the stress and strain of change—as indeed they prove since privatisation, and on scale. I believe to unequalled in British history.

Productivity raised its operating surplus to £18.4m, and losses made £700,000. Shipping reduced losses from £5.2m to £2.2m, while Hovercraft made a surplus of £5.5m compared with a deficit of £244,000.

Punctuality improved, with 81 per cent. of trains on time and 93 per cent. within five minutes.

1.700 million passenger journeys nobody was killed in a train accident.

British Railways Board Annual Report and Accounts, 1976 (Stationery Office, £1).

Hotel profits, page 21

## Definition of rural bus needs urged

By Our Transport Correspondent

The provision of minimum levels of service by public transport in rural areas was urged by the National Bus Company yesterday. A White Paper on transport policy is to be published later this month.

With rural bus services declining and fares rising rapidly, the NBC wants a clearer definition by the Government and local authorities of the level of service needed by rural communities, and a commitment to support them.

"We should like to see a more positive approach and firmer commitment to minimum levels of service in the White Paper", the company said yesterday.

A 120-page study carried out for NBC by a firm of consultants found that few local authorities had attempted to specify the transport needs of rural areas.

Faced with declining services, central government and most rural counties have provided financial support to maintain higher levels of service than would be commercially justified, the report says.

## Which? recommends: Do your own conveyancing

By Robin Young

It is worth shopping around when choosing a solicitor, or perhaps, even doing the job yourself, according to the latest issue of *Which?*, the consumer's Association magazine.

In a survey of 2,800 members of the association a quarter said *Which?* that they thought they had received poor value for money from solicitors. Half complained that they had not been kept informed about the progress of their cases.

Charges for the tasks on which solicitors are most often employed varied widely. One member of the association paid £60 for the conveyancing involved in selling one house and buying another, after having been quoted £300 for the work in another solicitor's estimate. Similarly, estimates for drawing up a straightforward will varied from three guineas to £20.

## Full pension for ailed architect

Mr Alan Maudsley, the former Birmingham city architect, who was imprisoned on corruption charges relating to building projects, will receive a full pension, despite attempts by Birmingham Metropolitan District Council to lock it.

A local government appeals committee in Birmingham had decided to allow him only a tenth of his £7,500-a-year pension, but Mr Shore, Secretary of State for the Environment, as overruled that.

## Council post reprieved

Humberside County Council, of which has just been captured by the Conservatives, yesterday reversed a decision to replace the director of administration, Mr J. Haydon, who is due to retire soon.

## Tories upset by TUC action over journalist

From Penny Symon Cumbernauld

The Shadow Cabinet yesterday discussed the decision by the TUC executive to refuse information to Mr John Hosken, BBC Radio's industrial correspondent, because of his decision to leave the National Union of Journalists for a rival news organisation.

Mr James Prior, Tory spokesman on the Home Office, said: "It would be a disgrace for Mr Hosken to be denied information. We are very worried about this matter, but we feel it should be something that the TUC should sort out itself."

The Shadow Cabinet is unlikely to initiate any direct parliamentary action until it learns what ruling Mr Len Murray, general secretary of the TUC, gives to his press officers when he returns from Rome next week.

Yesterday a press officer at TUC headquarters said: "I think they had decided to 'deal normally' with Mr Hosken until they heard Mr Murray's view."

Mr Hosken, who was an NNUJ member for 21 years, decided to join the rival Institute of Journalists, which is not affiliated to the TUC, after a disagreement with the NNUJ branch at his office. He said yesterday: "I am a committed trade unionist and always will be. I decided to join the union which I believe represents my interests best."

If Mr Murray rules in favour of his press officers' action the issue will raise anew the controversy over press freedom.

The TUC press officers are understood to have cited rule 3a of the TUC rule barring anyone from belonging to the general council who is "privately assisted" in the "promotion of anything made by non-union labour".

Although the Institute of Journalists is not affiliated to the TUC, it is a certified trade union.

Yesterday the BBC pledged full support to Mr Hosken.

Mr Murray will have to decide whether any restriction on non-NNUJ journalists such as Mr Hosken should extend to TUC press conferences and private briefings.

Tour untroubled as nationalist activity fails to take place

## The Queen visits Scots council house family



The Queen receiving a bouquet yesterday from Wendy Stewart, aged eight, a spina bifida victim, when visiting a new housing estate at Govan, Glasgow.

A further tour on foot followed a bouquet of pink and white rosebuds and carnations from Wendy Stewart, aged eight, a spina bifida victim, who is confined to a wheelchair.

The day began with a visit to Govan, where the Queen opened a £380,000 walkway, part of a project to transform derelict land on the Clyde.

In a grey housing area, the Queen and the Duke took their

first walk of the day, stopping to go into a new council house occupied by Mr Albert Currie and his family, all of whom were extremely excited.

The entourage proceeded to Burroughs Machines, Cumbernauld's largest employer, where computers are designed and assembled.

## The 15:00 from Manchester to Amsterdam



## Catch the new look DC-9 that catches the plane to Houston.

Every day, from 15 British airports, you can fly to Amsterdam, Europe's most up-to-date airport, where all facilities are together in one streamlined terminal.

And now, from Heathrow, Manchester and Glasgow, you can fly on KLM's new wide-body look DC-9's.

Inside, you'll find much more room, including more room for legs and knees.

The newly designed seats are among the most comfortable you'll find on any airline. Each seat is contoured with full thigh support and extra cushioning for the back.

Further features include a new ceiling with concealed lighting, and overhead lockers (on most of our new DC-9's) for you to stow your cabin luggage.

Yet, although you gain the comfort of a wide

bodied plane, you travel with a maximum of only 108 passengers.

The result is not only that you get more attentive service on the plane, but that you're off the plane, and ready for your connecting flight, in just a few minutes. The luggage transfer is quicker too.

Which is yet another time saving reason for choosing Amsterdam Airport as your transfer point for fast flights by modern KLM jets to the rest of Europe, North America, Africa, Near/Middle/Far East, Australia and Japan.

So, if you want to go to Houston or any other capital city on KLM's far-ranging network, just go to Amsterdam, it's your local intercontinental airport.

Ask your Travel Agent for KLM's quick-reference timetable of world-wide connections from your local airport or call at your nearest KLM Office.

## Police set up new complaints bureau

By Our Crime Correspondent  
Mr David McNeice, who was appointed Commissioner of the Metropolitan Police last month, has reorganized procedures for investigating complaints against any of his 22,493 officers.

A new department, the Complaints and Investigation Bureau, will be set up under the control of Mr Colin Woods, the deputy commissioner.

The A10 department set up by Sir Robert Mark, the former commissioner, to investigate complaints will become one of three branches dealing solely with complaints and discipline.

The new bureau will start work on June 1, the day the Government's Police Complaints Board begins adjudicating cases referred to it under the Police Act.

The new changes at Scotland Yard are aimed at speeding up procedures and concentrating all aspects of internal discipline in one department.

## Complaints over railway publicity upheld

The Advertising Standards Authority has upheld complaints that British Rail "dwelt unnecessarily on an appeal to fear" in an advertisement for Inter-City train services.

The advertisement was headed: "Have you considered the effect a long car journey can have on your heart? and quoted research suggesting the need to take a break when driving by train and car travel."

The authority medical consultant accepted the research data, but it was considered that the way in which the research was interpreted was open to criticism. British Rail has since revised its advertising material.

Other complaints upheld included three against the Electricity Council for misleading descriptions of the benefits of off-peak electric central heating.

## Press talks unresolved

By Our Labour Staff

Talks aimed at ending a five-month journalistic dispute at East Midlands' Allied Press, Peterborough, broke up inconclusively after three hours last night. The issue concerns the National Union of Journalists and the rival Institute of Journalists.

The talks were conducted at the TUC headquarters in London under the aegis of Mr William Keys, chairman of the TUC printing industries committee, who has emerged as the chief mediator. Another session is planned today.

Peace, now depends on nine

Mr William James Marlowe, aged 40, the actor, of Park Lane, Teddington, London, was granted a decree nisi yesterday against his wife, Catherine, aged 32, the actress.

Wiltshire County Council, of which has just been captured by the Conservatives, yesterday reversed a decision to replace the director of administration, Mr J. Haydon, who is due to retire soon.

Decree for actor

Mr William James Marlowe,

aged 40, the actor, of Park Lane,

Teddington, London, was granted

a decree nisi yesterday against his wife, Catherine, aged 32, the actress.

Crossing patrols cut

Wiltshire County Council is

to stop its remaining 124 lurching

crossings at school crossings

from next month as part of its

education spending cuts.

Wherever you're going, Amsterdam Airport is on the way.

**KLM**



Justice

actors in  
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# Trust Houses Forte works for everybody

As a British company we are proud that Trust Houses Forte is now probably the largest hotel, catering and leisure group in the world.

- 1** Because - that means we are providing a really satisfactory and essential service to our millions of customers in Britain, and increasingly throughout the world.
- 2** Because - it enables us to give a satisfactory return to our 60,000 investors.
- 3** Because - we continue to provide a livelihood for more and more people.
- 4** Because - in Britain alone, Trust Houses Forte provides employment for over 52,000 people.

In fact the hotel and catering industry provides jobs for 1,300,000 and is the fourth largest employer of labour in the country. Not surprising, when this service industry produced over £2,000 million in foreign currency earnings last year - we congratulate the British Tourist Authority on its target of £3,000 million for the coming year.

As the market leader of the hotel and catering industry in Britain, Trust Houses Forte takes its responsibilities seriously. We know that our current and future prosperity as a company depends principally upon recruiting and training the right people. It takes years to develop the dedication, skill and experience which are essential to the efficient running of an organisation of our size. So we place a high priority on training. Our central training bill this year is over £1,500,000. In addition we have over 3,000 qualified trainers working full time. This is for us a major investment in people and money. We believe this is essential for the future prosperity of our industry.

**This is how we are making our contribution to Britain's economy**

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**Hotels**

## WEST EUROPE

# US-Soviet negotiations on arms limitation resume after 'weather warfare' ban is signed

From Alan McGregor

Geneva, May 18  
Mr Cyrus Vance, the United States Secretary of State, and Mr Andrei Gromyko, the Soviet Foreign Minister, got down today to a "full effort of negotiation" in the strategic arms limitation talks (Salat).

After they had met for almost two and a half hours, Mr Hodding Carter, the State Department spokesman, said they had had "a full exchange of views covering in detail various important points".

"In Moscow (in March), there was a full presentation of position", he added. "Here, as those presentations have been made previously, the exchange can go into more depth about what was understood on each side's position."

The two sides were considering each other's views and will resume meeting at 11 am tomorrow. He was unable yet to predict how long this phase of the discussions might last.

Mr Gromyko earlier had a 60-minute meeting with Dr Kurt Waldheim, the United Nations Secretary-General. In this they concentrated especially on the Middle East and the question concerning the Geneva conference. Dr Waldheim described their talk as "highly interesting and very important".

Mr Vance and Mr Gromyko were among the representatives at 33 nations who countries signed the convention here banning environmental modifica-

tion techniques for military purposes, the so-called "weather warfare" concept.

Although Dr Waldheim, making the most of it referred to the treaty as a "disarmament agreement", it is more a substitute for real achievement in curbing the present arms race.

While it was being negoti-

ated here, from 1974 onwards, with the Russians doing much of the pushing, it became clear that at this stage of their development the weapons of weather war are a concept of the future rather than an foreseeable immediate possibility.

An official Canadian survey, never referred, listed 19 different envisaged techniques, of which seven (including for volcanic eruption and hailstorms) were judged either to be merely dependent on unmanageable weather conditions or purely theoretical.

The only one assessed as sat-

satisfactory as a tactical weapon

was fog or cloud dispersion to open target areas to visual attack, or vice versa, which is of limited usefulness in an era

of computerized missiles.

Surprised by these expressions of hope, Mr Vance and Mr Gromyko went on, after signing an extension to their government's 1972 bilateral agreement on cooperation in space, to the major problem in the shape of nuclear missile confrontation.

After the rebuff he experi-

enced in Moscow in March, Mr Vance was almost excessively guarded in what he was prepared to say on arrival this morning: "I do not know whether there will be any progress. Time will tell... We are merely resuming discussions... I have always said that Salat (strategic arms limitation talks) is a long process."

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Mr Gromyko's remarks reflected the usual professional optimism. The general expectation seems to be that chances are now better for a modified version of the provisional Vladivostok accord reached by President Ford and Mr Brezhnev, the Soviet leader, in November, 1974.

This limited the number of nuclear and heavy bombers on each side to 2,400, including 1,320 missiles, with "independently-targeted" warheads.

Adopting the ministerial guidelines for Nato military authorities over the period 1978-84, the ministers of the 15-member alliance accepted that the 3 per cent increase was necessary to correct "adverse trends in the Nato-Warsaw Pact military balance".

Ministers agreed that Nato countries should "provide full compensation for the inflationary impact of rising pay and price levels to ensure that planned real increases are achieved". Specific target figures for individual nations would be worked out later.

There was acceptance that the 3 per cent target could be only an "average" for the alliance as a whole. Ministers recognized that some countries would be unable to attain the target for economic reasons.

On the other hand the present force contributions of other countries might "justify a higher level of increase".

These provisos were felt by British officials to have taken satisfactory account of the arguments voiced here by Mr Mulley, the Defence Secretary, who made clear that there could be no question of Britain raising its military spending at all before 1979, and probably only modestly after that.

Mr Harold Brown, the American Defence Secretary, whose high-pressure advocacy played an important role in today's agreement, told a press conference that it was not simply enough to make the extra funds available. They had to be invested in the purchase of new and more flexible military equipment.

The Soviet Union, he said, had been increasing its annual expenditure in real terms by 3 to 4 per cent annually over the past 10 years. In the West over the same period, the level of real expenditure had certainly not increased and, if anything, had declined.

Our Defence Correspondent

writes: British, German and Italian air chiefs, meeting in London, recommended a second production order of 110 Tornado aircraft to their three governments.

The Commission's proposal is seen as being designed mainly to impress the British who, in the past, have often insisted on their demand for an exclusive 50-mile fishing zone on the ground that a system of catch quotas could not be enforced properly.

## Rome rally called off by students

From Peter Nichols

Vienna, May 18

Professor Giulio Carlo Argan, mayor of Rome, today issued an appeal for an end to

the time and location of its entry and departure from the Community's 200-mile zone, and indicate the quantities of each species of fish in its holds at the time.

While in Community waters, non-EEC boat would be required to "keep a fishing log book in which, after each haul, the quantities of each species caught, as well as the time and location of such haul and the fishing method used are registered".

At the end of every week inside the EEC's waters, foreign vessels would have to inform the Commission of the quantities of each species of fish caught, the date and location of each catch, and the weight of species involved in any transfer of catches to other ships.

The Commission would be entitled to withdraw the licence of a vessel which did not comply with these provisions.

The task of monitoring the fishing activity of non-EEC fleets for breaches of the regulations would fall to member states, which would in turn alert the Commission.

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## A weather eye on politics

From Our Own Correspondent

Paris, May 18

French politics are not always in dead earnest, although it is easier for journalists to laugh at politicians than for either to laugh at themselves. *Le Quotidien de Paris*, which has made a speciality of taking an incisive and ironic view of men and affairs, has published this forecast of the week's developments:

"The Chirac anticyclone which hovered over the radical regions has been driven away by a strong reformist wind, following the depression on the territory of Beau Faure. As a result, the sun of President Scharlemann should shine in all of them, with, however, occasional showers."

"In the region of the common programme, numerous disturbances and even storms are expected towards the middle of the week. There will be serious risk to crops and especially to pink."

"Finally, the Elysée should this week remain again above the clouds, in clear skies, in spite of the repeated announcements in advance of a legislative autumn in the season."

In addition, every non-EEC

trawler would have to inform

## Nato states agree to spend 3 pc more

From Michael Hornsby

Brussels, May 18

An annual increase in defence spending of about 3 per cent in real terms should be aimed at by all members of Nato in the five-year period starting from 1979, defence ministers declared here today at the conclusion of their regular spring session.

This commitment came in response to pressure from President Carter for a significant increase in Nato defence budgets to meet what today's statement described as the "steady expansion" and "increasingly offensive posture" of Warsaw Pact forces.

Adopting the ministerial guidelines for Nato military authorities over the period 1978-84, the ministers of the 15-member alliance accepted that the 3 per cent increase was necessary to correct "adverse trends in the Nato-Warsaw Pact military balance".

Ministers agreed that Nato countries should "provide full compensation for the inflationary impact of rising pay and price levels to ensure that planned real increases are achieved". Specific target figures for individual nations would be worked out later.

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Our Defence Correspondent writes: British, German and Italian air chiefs, meeting in London, recommended a second production order of 110 Tornado aircraft to their three governments.

The Commission's proposal is seen as being designed mainly to impress the British who, in the past, have often insisted on their demand for an exclusive 50-mile fishing zone on the ground that a system of catch quotas could not be enforced properly.

All foreign vessels would also be required to make known the species of fish they intended to catch, where and how they planned to catch them and the length of time for which a licence was desired. This information would be given to the commission "through the most expeditious channels available".

In addition, every non-EEC

trawler would have to inform

## OVERSEAS



Mr Vorster, the South African Prime Minister, welcomed by Dr Bruno Kreisky, the Austrian Chancellor (right) when he arrived in Vienna.

## S Africa playing for high stakes in Vorster-Mondale talks

From Roy Lewis

Vienna, May 18

The discussions between the American Vice-President Mondale and Mr Vorster, the South African Prime Minister, which begin here tomorrow and end with a short final session on Friday, are a determined effort by both sides to bring their thinking decisively closer on a policy for southern Africa.

Their object is the same: to promote peaceful settlements in Rhodesia and Namibia and put an stop to developments which are steadily increasing the opportunities for Soviet intervention or at least influence in the area.

There is no doubt that Mr Mondale, on behalf of President Carter, wishes to keep South Africa in the West just as much as Mr Vorster—who has acknowledged United States leadership of the West, including South Africa—wishes his country to be an integral part of the free world. The problem is not objectives but methods.

On Rhodesia, Mr Mondale is prepared to exert pressure on Mr Ian Smith to cooperate with

## Pressure grows to cancel Amin visit

From Nicholas Ashford

Maputo, Mozambique, May 18

Mr Andrew Young, the American representative at the United Nations, said today that Rhodesia's latest "hot pursuit" operation into Botswana was an attempt to bring the United States into the Rhodesian conflict by forcing the nationalists to seek Cuban support.

Speaking at an informal press conference after holding talks with Mr William Etete, Mbounoua, secretary general of the Organization of African United, Mr Young described Rhodesia's action as "a deliberate attempt on the part of the Smith regime to escalate the conflict and win support for its regime".

But the Carter Administration had been telling Mr Smith for many months that the United States would on no account be drawn in.

Mr Young is to hold talks tomorrow with Mr Robert Mugabe, the Rhodesian nationalist leader. However, Mr Mugabe today made it plain that it will take more than strong words by Mr Young to convince him that the United States really is intent on achieving a peaceful settlement in Rhodesia.

"We want to know exactly what sort of pressure the United States is prepared to apply on Rhodesia. South Africa and Britain are coming along," said Mr Young.

There were also suggestions yesterday that an "Action Group" had been formed in this country to plan the overthrow of the present regime.

The letters threatening to kill President Amin were sent to the High Commissioners for Kenya, Uganda, Tanzania and Zambia in London, as well as to the BBC and Reuters news agency.

Less melodramatic were the plans announced by the Ugandan Freedom Committee yesterday. It is approaching hotels in central London to refuse bookings for any Ugandan Government party, and workers at Heathrow, Gatwick and Stansted airports are being urged not to handle any aircraft bringing President Amin.

Our Legal Correspondent writes: Assuming President Amin were to be allowed into Britain, he would be immune from any civil or criminal prosecution, said a spokesman for the Ugandan Government.

The adoption of elections by proportional representation on national lists with distribution of leftovers on the basis of the highest average poll (which gives an edge to the larger parties) is an historic turning point in French constitutional law.

The Communists affirmed today, before the Cabinet decision, that direct elections must be accompanied by an absolute, clear and binding guarantee that the European assembly must keep to the letter of the Rome treaty. No decision by it will lead to the transfer of all or part of national sovereignty to an international body.

Signor Emilio Colombo, the newly elected president of the European Parliament, who was received yesterday by President Giscard d'Estaing, and in meeting the leaders of the other parties, said: "I feel that the failure of direct elections should not present any difficulty in France. The directly elected Parliament must work within the framework of its present powers and of the present international law, the head of state cannot be sued or prosecuted in a foreign country, unless he consents to the waiving of his immunity."

The first Bill, however, contains a severely restrictive clause which should go a long way towards meeting the objections of the Gaullists and the Communists to any extension of the powers of the European Parliament, beyond those laid down in the treaty of Rome.

Although restricted to European elections, the adoption of proportional representation is bound to strengthen the demand of the smaller parties of the government majority, and of the left, for its extension to national elections. But the Gaullists are radically opposed to any such change.

"But I feel the Community should move towards greater integration. Parliaments are not conceived merely to control executive power, but to have a genuine European vision of the European Parliament, not a static one," he added.

Mr Jacques Chirac, the president of the Gaullist Rassemblement, would not comment on the Bills before examining them in the light of the fundamental Gaullist insistence on national sovereignty.

His attitude to Europe is still causing a reduction of Government negotiating credibility in Europe, dismay among European socialist colleagues, and badly handicapping Labour in the coming electoral battle for seats in the European Parliament.

Mr Rod Northwell and Mr Richard Corbett argue that the Labour Party needs to prepare machinery for the elections immediately. For example, a special recommended list of candidates, "suitably vetted for the European Parliament", needed to be drawn up very quickly.

Labour must also end its boycott of European socialist parties, to formulate a common election platform.

At the same time it was learnt that the Government is collaborating with the Democratic Centre in drafting a new

constitution for the country to present to the new Cortes. Opposition parties are demanding that the next Parliament draw up a new constitution and the parties are working on their own versions. If the Government tries to force its version through without consulting them this will inevitably provoke a storm from both the neo-Francoist Popular Alliance, which is basically against constitutional changes, and from the left.

Signor José María Arévalo, the former Foreign Minister, who left the Democratic Centre after disagreements with Signor Suárez, said last night that he will give his Senate vote in Madrid to "Senators for Democracy", a list drawn up by the Communists, Socialists and Christian Democrats.

After his meeting with the minister, Mr Chapman said: "I really do believe the Greek Government are doing what they can to draw this dreadful case to a conclusion".

Mr Chapman had also promised to arrange for him to visit Mr Moundis at the Aegina prison, where he is serving his sentence.

Mr Moundis, he said, had written to him in February and again at the beginning of this month, saying he now felt free to speak frankly to Mr Chapman about the case.

Mr Moundis had first contacted him to the killing, then retracted his statement saying he had been under pressure from the military dictatorship.

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OVERSEAS

## US report says Russia vulnerable to nuclear attack despite extensive civil defence preparation

By Patrick Brogan

Washington, May 18  
A study released by a congressional committee here says that the Soviet Union could not survive a nuclear war despite its preparations for civil defence. It concludes that those who argue that the preparations are evidence of Soviet plans for a surprise attack are mistaken.

The argument, put forward by super-hawks here and in Europe, is that the Soviet Union is equipping itself with an over-abundance of offensive weapons while constructing early shelters to protect its industry and population from destruction.

Were this true, the Soviet Union could either destroy the United States without our being able to deliver a devastating retaliatory blow, destroying the functioning of modern society. I believe the Soviet Union could not attack the United States without our surviving retaliation, or else force the West to capitulate without being forced to survive a nuclear attack.

The Joint Committee on De-

fence Production of the two houses under the chairmanship of Senator William Proxmire, emphasizes that this is complete nonsense.

It finds no serious evidence that the Soviet Union is trying to "protect" its industry against a nuclear attack to any significant extent, and cites its plans for providing shelters for the population and for evacuating cities, as moments of "sheer mentality" among citizens.

The committee thus agrees with successive Secretaries of Defense. It quotes Mr Harold Brown, the present Secretary, who said in January that "the Soviet Union could not attack the United States without our surviving a surprise attack, or else force the West to capitulate without being forced to survive a nuclear attack."

The Joint Committee on De-

spies who  
made too  
much profit

From Our Own Correspondent  
Washington, May 18

United States naval intelligence is today reported to have disbanded a sideline overseas spying operation that had been keeping count of Soviet shipping in foreign ports, among other secret duties.

According to Pentagon reports, the use of "commercial cover" by some of its agents had led to embarrassing, profitable business ventures. It is also said that the intelligence provided by the unit was more easily obtainable through technical means—surveillance by satellite and electronic devices.

The Washington Post today describes the unit with such words as "crack, super-secret, spies too hot to handle," and so on.

## Calypso music greets US tourists in Cuba

Havana, May 18.—The first group of American tourists to visit Cuba for 16 years landed in Havana yesterday to an enthusiastic welcome from hundreds of Cubans lining the streets outside the harbour.

On board their ship, the *Alphine*, were some 360 Americans. The ship drew up to the pier to the sound of calypso music blaring out from loudspeakers on the shore.

It was clear that Cuba was going to make the visit a success. Girls from Cuban state tourist organizations distributed small gifts, while, alongside the customs hall, musicians played Caribbean songs.

Relations between the United States and Cuba have

improved since President Carter came to power at the beginning of the year. A number of Congressmen and businessmen have visited Havana and some sporting contacts have also begun.

However, several problems remain to be solved. The Senate foreign relations committee has recommended a partial lifting of the United States trade embargo on the island.

It is clear that Cuba was going to make the visit a success. Girls from Cuban state tourist organizations distributed small gifts, while, alongside the customs hall, musicians played Caribbean songs.

Relations between the United States and Cuba have

Chinese market  
or English  
technical press

Peking, May 18.—Mr Robert Maxwell, the British publisher, today predicted a "booming market" for English-language scientific and technical journals in China.

Mr Maxwell, who has had

several days of talks in Peking, said that with the emphasis

China was placing on industry and scientific research, there

should be a market measure

in millions of pounds.

He said China had increased

orders for journals produced

by his own company, Pergamon Press, and he hoped to

establish Chinese scientific

partners.

One of Pergamon's journals

should shortly print data on a

skin-developed machine for

eating cancer of the cervix

—said—Reuters.

## Opium growers cash in on coffee

From Peter Houben  
Nikola, May 18  
A fight for survival which carries important implications for the rest of the world has reached a crucial stage in the accessible hills of northeast Thailand. It is a fight between a highly-prized plants.

One of the fragile poppy and its only by-product, heroin, which now fetches \$750,000 a kilogram on the streets of New York.

The other is the coffee tree, produced into Asia's "Golden Triangle" three years ago as part of a United Nations experimental scheme to promote Thailand's rural culture.

With alternative cash crops, the traditional form of income, the opium poppy.

It is estimated that Thailand produces approximately 700 tons of opium a year. Refined

in secret jungle laboratories, this amount would

produce seven tons of morphine or heroin. Rough calculations suggest that poppy cultivators in Thailand's neighbours in the Golden Triangle, Laos and southern Burma, produce further 500 tons of opium a year.

A large amount of this opium

is consumed by local addicts as medicine by the hill people, but an equally large

industry is smuggled out in the form of heroin by drug dealers in the so-called "Shan states" of Burma and southern

Myanmar. It eventually passes

through middlemen with ever-

## Investigation of Filipino woman in torture case

Manila, May 18.—Military

sources said today that a

Filipino woman community

worker, whose allegations of

torture prompted a protest by

the United States, is being

investigated on a possible

charge of subversion.

They said that Mrs Trinidad

Herrera, who is 37, was the

former president of an organi-

za-tion which the authorities

believed to be a front for the

banned Communist Party.

Preliminary investigations

had also begun into alleged

use of酷刑 by Mrs Herrera

to conceal her identity and

alleged violation by her of a

martial law order prohibiting

mass demonstrations and sec-

ret meetings.

Mrs Herrera, a community

worker in the Manila water-

front district of Tondo, was

detained on April 26 on suspi-

cion of having taken part in

banned demonstrations.

Her complaints of torture by

electric shock and general

abuse of her body during

detention aroused protests by

the United States Senate and

the White House.

They have been investigating

the charges since April 26.

President Marcos has

ordered an investigation of her

case and the court martial of

anyone accused.

He has said that medical

examinations tend to refute

Mrs Herrera's allegation of

torture. But this has been chal-

lenged by her lawyer, Mr

Francisco Rodrigo, a former

senator, who said there was

eyewitness evidence of marks

on her body resulting from the

shock treatment. —Reuters.

## Turnhalle plan backed by white electorate

From Our Correspondent

Johannesburg, May 18

The report repeatedly points out that the attacker is capable of much greater mobility than the defender. It says that it would be wholly impractical for the Soviet Union (or for the United States) to project every important industrial site against even a light attack and impossible to defend anything against "site-busting" weapons.

It gives a list of the industrial targets whose destruction would ensure the destruction also of Russia. It observes that the Soviet administrative machinery is highly centralized and the country is thus more vulnerable than the decentralized American society.

The report says that a carefully configured nuclear attack on the Soviet Union would aggravate existing weaknesses in the economic infrastructure that efforts to continue prosecuting any sort of war beyond a territorial defense would be extremely difficult, if not impossible.

Mr Abraham du Plessis, leader of the National Party in South-West Africa and head of the white delegation at the Turnhalle, said there should no longer be any doubt that the white Turnhalleers would have had far in the future.

Some 52,000 of South-West Africa's 100,000 whites were eligible to vote, including those registered in the harbour town of Walvis Bay, a South African enclave which Mr Vorster, the Prime Minister, has stated that Pretoria will never relinquish. About a third of the 22,000 Germans living in the territory were ineligible because they had never bothered to take out South African papers.

The significance of the referendum, of course, has been undermined by the message conveyed to Mr Vorster by the envoys of five leading Western nations that the Turnhalle independence formula is unacceptable.

The authorities must be thankful that President Carter delayed until last night his statement that strong action by the United States and the Western allies is to be expected if Pretoria does not relax its hold on South-West Africa.

If the statement had come 24 hours earlier, it is reasonable to assume that the 5 per cent "No" vote against the Turnhalle constitutional plan would have been much larger.



## Burglaries may have had FBI approval

From Jerry Oppenheimer

Washington, May 18

Mr William Sullivan, an assistant to the late J. Edgar Hoover, director of the Federal Bureau of Investigation, has conceded that it is possible that he gave FBI agents the go-ahead for two or three surreptitious entries in their pursuit of radical fugitives in the early 1970s.

In an interview with the *Washington Star*, Mr Sullivan also acknowledged that he was told after the fact but condoned a break-in by agents in the Boston area in 1970 or 1971 in their hunt for a fugitive wanted in connection with a national security matter.

They had had a long session and they asked Mr Sullivan a lot of things, but his memory was absolutely foggy", the lawyer said.

It was learnt last night that Mr Sullivan, who retired in 1972 as the bureau's third-ranking official, said he did not question the Boston action, though Mr Hoover had banned so-called black-bag jobs in 1966. Asked specifically whether he had approved requests from subordinates to use surreptitious entries in their hunt for fugitive members of the Weathermen organization in the early 1970s, Mr Sullivan said: "It could have happened, it's possible."

He said he had a hazy recollection that he received two such requests from the New York regional office and possibly one from the Washington field office in 1970 or 1971. At the time, he was running 40 to 50 calls a day from the field offices, so it could have happened, he said.

Mr Sullivan emphasized that he had never personally initiated such actions and could not definitely recall whether he had responded to such requests, though he would have approved them.

The Justice Department has begun an inquiry into allegations that Mr Sullivan initiated the illegal operations under pressure from the Nixon White House and Justice Department officials serving under Mr John Mitchell, Mr John Dean, General. There have been allegations that Mr Sullivan went along with the plan in hopes of apprehending the fugitives and impressing President Nixon enough to be appointed successor to Mr Hoover.

Mr Benjamin Civiletti, Assistant Attorney General, and Mr Sullivan were said to have been questioned extensively about his own alleged role in granting requests for surreptitious entries.

A good portion of the questioning was understood to have been devoted to Mr Sullivan's role in helping to draft the so-called Houston plan in 1970. The plan to coordinate law enforcement of both the left and right, was approved by President Nixon, but cancelled a short time later because of Mr Hoover's opposition.

One source said Mr Sullivan might be interviewed again and possibly called to appear before a federal grand jury in Washington that is expected to hear evidence regarding the role of FBI headquarters personnel in the use of illegal investigative activities during the past five years.—*Washington Star*.

## Japanese trawler arrested

Tokyo, May 18.—Russia

today arrested a Japanese fish-

ing boat off one of four Soviet-

held islands claimed by Japan.

If the statement had come 24

hours earlier, it is reasonable to

assume that the 5 per cent "No"

vote against the Turnhalle

constitutional plan would

have been much larger.

the two governments were close to agreement on an interim fisheries pact which includes the disputed area.

Mr Zenko Suzuki, the Japanese Agricultural Minister, and

Mr Alexander Ishikov, the

Soviet Fisheries Minister, met

again today in Moscow.

## Christian Aid Week, May 16-21

Christian Aid PO Box 1 London SW9 8BH Telephone 01-733 5500



## SPORT

## Rugby Union

## Horton concussed as Lions win first match of tour

WAIKAPAPA, New Zealand, May 18.—The British Lions took advantage of a favourable wind in the second half to beat Waikapapa 11-12 here today in the opening match of their tour of New Zealand. The Lions had an excellent start, with a try and a conversion from Alan Lomax, and the home team with a try and a conversion. But the Lions steadily broke down their opponents' resistance on a surprisingly firm road after heavy overnight snow. Despite a wet, slippery field, the Lions ran in eight tries, while the home team had only two. The Lions' coach, and his reserves about the line, had a dominant possession from the start. The Lions' easy win was without loss. Nigel Horton, England lock, was admitted to hospital and kept under observation overnight, after hitting the wet slippery turf, but he was well enough to make a full recovery. Bruce Hay, the tourist full back, limped off in the second half and was treated in hospital for a strained ankle injury. But an x-ray examination showed that no bone had been broken. Several very forward exchanges in the first half were the only points of the tour, with a cross-kick which enabled J. Williams to score the first of his three tries in the third minute. The Lions' other points came from two unanswered tries. Paul Williams, the only non-Welshman to score for the touring team, and Ray Cobden.

Waikapapa played ahead after an early goal by Ned Kieszkowski, but, shortly before half-time, a crucial kick by Alastair O'Neill, a Waikapapa stand-off, set up a try for Clive Paton, who beat Williams to the touchline. The try was converted to put the All Blacks 11-3 up. Williams then played France in two internationals at Toulouse on November 11 and Paris on November 19. But nothing is known about the other matches. —Agence France Presse.

## Boxing

## Conteh defiant but still loses his world title

John Conteh declared himself the champion after hearing that the World Boxing Council had stripped him of his world light heavyweight title, for refusing to accept the decision of the Argentine's Miguel Cuello in La Plata on Saturday.

"I am the man who won the title, who beat Cuello, and who came to see him," said the Liverpool-born boxer. "Despite of Conteh's bold defiance and his continuing fight in the High Court, it is now a fact that he is no longer champion. At the British Boxing Board secretary Bertie Combe's insistence, the BCB has issued a telegram to the WBC's decision in a telegram: 'We will not be replying if it is necessary. There is nothing to accept—it is a farce'."

The sadness man involved yes- terday was George Francis, who now trains the self-managed Conteh. "This is purely a political decision," he said.

"There is no doubt in my mind John would have licked Cuello. I am not saying he was exactly right for it mentally. He has been a little disturbed, because he has a son, and he has had five years and, as his trainer, I have been deeply shocked about that."

"I am deeply shocked. The boy is so talented. It is really heart-breaking spending so much time with him and trying to help him. I would love to see him get on with his fighting and if he has any legal battles, go through with them afterwards. But I am not John, who is a person who will not be beaten."

While Conteh was adding that he did not intend to give up boxing, promoter Rudolf Sabbarud was defiant. "In my opinion, the Board does not allow live coverage of boxing in this country. It would be ironic if the Board

had

not

seen

the

titles

he

has

had

in







## HEARTS

## To Budapest with the LSO

It's not finds the London Symphony Orchestra engaged on a strenuous tour of Europe, and then they were giving concerts under Claudio Abbado, and where, during an evening on the Danube, a steamship (privately chartered for the LSO) by Rank Brothers who are sponsoring the members of the orchestra, gave me with impressions of cruises so far.

London's Royal Theatre, in the evenings given, was reassuring to find the playing in best form; even the highest London or say, Bath Festival standards. Purcell's variations ("The Young Person's Guide") a good idea of the tonal characteristics of the LSO's violins, the violins' noise especially intense and clear, but each variation distinctive in quality of sound and Phrasing and weight of were more scrupulous throughout, verging on a line of uniformity to the which is far from interesting, can be found as creation of the instruments themselves, not of any single, nor creative personality.

Ravinsky's 1919 *Firebird* was given a particularly and satisfying performance, the whole orchestra and by solo, with superb attack, intensity and precision for Kosch's dance, exquisite oboe and sonatas in the second and third movements, and an armful of distilled magic when solo began the finale, the most wistful of a g tremolo. Beethoven's Ninth symphony showed the depth and elegance of the wind in the *second*, the death and life of the string section in *Allegro*, and the vitality of the full orchestra in development of the first movement.

The dancing pulse of that seemed somewhat short gusto, the finale emerged weight and bombastic, yet undeniably virtuous in its execution. My responses were shared by two others of the orchestra quite spontaneously, who thought the outer movements more affected by Abbado, but perhaps less well played, in the performance on the previous evening.

Abbado and the LSO gave encores, a richly sonorous joint of Wagner's *Motets*, overture and virtuous reading, give way to another reading of the *Death Scene* of Tchaikov's *Prokofiev's Romeo and Juliet*.

The tour was planned with conductors in mind, Abbado leading the baton with the chief, André Previn, slipped a disc of orchestra was fortunate securing Eugen Jochum Davis to replace him. Both are closely connected with the LSO, well known to audiences in countries during the tour, and a distinctive in their voices to an orchestra and repertoire, thus ensuring that orchestra approaches each fresh, without danger becoming bored or routine, meant that in Previn's view Abbado had to conduct the concert in Budapest, now the exception of Beethoven's Seven, number performance the same. The LSO likes working with Abbado not only use he is a thorough professional, his authority tends to a lively sense of our, but because no two of performances are alike; he urges an orchestra to take ("a smell of danger gets adrenaline flowing, and us all play better", one LSO was saying). In that Budapest concert, the symphony was presented almost impromptu, by however, Emperor Concerto, the young Hungarian is, and Zoltán Kodály as an encore, more on this occasion by my colleague, John Chislett. His performance was described to me as not pre-given in the outer elements, exquisitely lyrical, Adagio, Kodály recently died and Communist managed, and at the concert the central government box received pointedly empty, but performance was reportedly by the otherwise full, with salutes of equally well-earned applause.

Members of the LSO were in the Budapest concert had been the change, as far as I could see, had found the music in a country famous for its musical traditions, more willing of all Budapest audiences not destroy but they were smitten, often, with admiration, and deserved for the LSO: city has its own excellent

William Mann

London debuts

of double bass solos likely to stand a good idea, recalls Rabbath, a Syrian, an amazing virtuoso of an extremely new sort. Occasionally he was reminiscent of jazzers such as Barre Phillips, in Rabbath is from a quite ancient tradition, one that has never started resources to the instrument, transforming it into a miniature orchestra, shows that his compositions are new (to us) as his technique, and the moods they are wholly fresh, also; yet there is nothing conventional about this music. Its of gesture, from the flute harmonics of *Variation* to the darkly glowing strings that open *La Puesta* et al, is wide, indeed, but a melody unconnected by a sense of pitch is usual to most of it. Mr. Rabbath's music demands an essay, just a brief note like this,

and I very much hope to hear him again.

Few Spanish chamber ensembles appear in this column, or elsewhere it seems, but the Rabbath Trio, consisting of cello, violin (doubling viola) and piano, is an exception. At first it seemed a more or less promising one for Mozart's Trio K.498 lacked breadth, though dated 1974, sounded like late-1950s SPNM fare.

Sonata Speidel was fluent and quite expressive in Bach's Partita No 2, her pleasing tone filled out by undoubtless pedalling. But there was a lack of vital drive in the quick movements, and in Beethoven's Sonata Op 31 No 2, also, although the Adagio had exactly the right sort of lyrical continuity, the Allegro and Allegretto were curiously defused. Miss Speidel had a very honourable start at Liszt's *Mephisto Waltz* (No 1, of course) for nobody ever plays Nos 2-4, and if she lacks the strength needed to project this essentially dramatic conception, her playing was everywhere intelligent, always musical. Scriabin's Sonata No 2 is more elusive but was shaped with true perception, whilst Chopin's E minor Sonata received a beautifully clear and well-



Jenny Lipman and Vladek Sheybal

Photograph by Donald Cooper

## Shylock and postwar Zionist terrorism

### Variations on The Merchant of Venice Open Space

#### Irving Wardle

For old clients of this magazine, it is quite a shock to walk into the new Open Space (303-307 Euston Road). At first glance, it seems that we are back in the Tottenham Court Road cellar, now sumptuously improved. It is another low room, with a raised audience looking down on actors at floor-level. But the temperature is no longer sweltering, and in place of the old foam rubber mountain there is a hemisphere of seats enclosing an acting area of almost equal depth and vying in comfort with the jet-age pews of St George's, Tunbridge Wells Park (the best theatre seats in London).

For an outfit of such limited resources, the place is an astounding achievement and a morale-boosting example to the theatre at large.

Towards the opening production, the latest of Charles Marowitz's Shakespearean cuts, my personal interest in Marowitz's adaptations is that of narrative freshness: familiar episodes may crop up

more rapid. I have been waiting

for Marowitz to get to work on

Shylock ever since he afflicted

Othello with a hysterically

funny Braxton father-in-law.

The Merchant has one of

those unsatisfactory, merely

neatly played which invite

modern suspicion. In which

Marlowe's *Barabbas* is also

clamouring to be included.

Variations duly couples

Shakespeare's Semitic realism with the brutality and anti-Christian satire of *The Jew of Malta*, wrapping up the whole thing as a fable on postwar Zionist terrorism. Framed within a newcast of the bombing of the King David Hotel, the production opens with Shylock uttering a solemn declaration of vengeance over a corpse on a stretcher, and then proceeds to restructure Shakespeare so as to present Shylock as the controlling intelligence. It is now part of his scheme, for instance, that Jessica should elope with Lorenzo; and with his heavily armed Irgun bodyguard, he is immune from Christian reprisals.

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## THEY ARE GONE AWAY BACKWARD

*...deus vult perdere prius*  
lamentum. No doubt there is an  
Arabic equivalent to that, tag-  
and no doubt it is being quoted  
today with satisfaction in those  
Arab circles which believe that  
peace with Israel is neither pos-  
sible nor desirable, and that  
Zionism is an anti-historical  
movement fated to destroy itself.  
If the gods wished perdition of  
the Israelis, they would drive  
them mad; and what more  
suicidal folly could they inflict  
on them than that of choosing  
leaders committed to holding on  
at any price to territories which  
their neighbours will not  
encourage, in defiance of the one  
world power on whom they  
lepend for weapons, for finan-  
cial aid, and for diplomatic  
support?

Such are the leaders the  
Israelis have chosen, by casting  
their votes for Likud (forty-one  
seats), the National Religious  
Party (twelve seats), and for the  
Shimonov Party led by General  
Arik Sharon (two seats).  
Those parties do not together  
command an overall majority in  
the new Knesset, but they could  
probably just achieve one by  
joining with the two Agudat  
parties (orthodox religious  
groups whose interest is in the  
internal observance of traditional  
Jewish law rather than the  
orders of the state or its rela-  
tions with the outside world) and  
by accepting the somewhat  
sainted support of Mr Samuel  
Shatov-Sharon, who ran for the  
Knesset with the sole and avowed  
purpose of avoiding extradition  
of a fraud charged in France,  
and who now finds himself in  
an extraordinary position of  
having won two seats after cam-  
paigning as a one-man list.

### Strong position

Such a majority would be a  
jarow (one sixty-two seats out  
of 120, assuming that Mr Shatov-  
Sharon would be willing and  
constitutionally able to co-opt  
a Likud supporter into his extra  
seat—a point that remains to be  
elucidated) and somewhat lacking  
in elegance. The demands of  
the Agudat parties for such  
things as the banning of post-  
mortems and of any kind of work  
on the Sabbath do not fit all that  
easily with the liberal individu-  
alist outlook of the parties  
composing Likud. But the fact  
that majority exists on paper  
out of Likud in a very strong  
position, for there is no doubt  
that the National Religious Party  
would prefer it to a return to  
its previous alliance with the  
Labour Alignment. Both Likud  
and the NRP have called for a  
national coalition of all Zionist  
parties, but they can negotiate  
from a position of strength pre-  
venting Likud's leader Mr Men-  
achem Begin as the natural prime  
minister of such a coalition  
since his is now the largest

## SKILLS MATTER MOST FOR JOBLESS YOUNG

The baby boom children of the  
1960s are struggling through the  
education system and out into  
the world, just as the supply of  
jobs for young people has gone  
into marked decline. Unemploy-  
ment among the young has more  
than doubled since 1972, increasing  
at almost three times the rate  
of unemployment in general,  
according to the Manpower  
Services Commission's report  
yesterday. The young people who  
will come onto the labour  
market in increasing numbers in  
the next four years are likely to  
find matters as bad as they are  
now, and probably worse. Apart  
from the distress and disillusion-  
ment suffered by those who are  
thus compelled to start their  
careers on the wrong foot, this  
involves a growing waste  
of a human national resource.

Aside from the mysteries of  
the procreative impulse, the  
main cause of this state of  
affairs is Britain's economic  
predicament. But there are  
several reasons why school-  
leavers have suffered especially  
badly. The approach of which  
the Manpower Services Commis-  
sion is one embodiment cannot  
together escape a share of the  
blame. The Government has been  
so inclined to respond to the  
rise in unemployment with  
expansive and palliative measures,  
which have had some short-term  
success in preventing people  
from being left utterly without

work at some sacrifice to longer-  
term needs. Something had to be  
done if the unions were not to  
become disaffected: part of the  
cost is being borne by the young  
unemployed.

Since 1975 it has been made  
an expensive matter for a com-  
pany to make workers redundant.

The new rules have humani-  
tarian motives, but they naturally  
make employers reluctant not

only to make labour cuts for

the sake of productivity or

because of a decrease in busi-  
ness, but also to take on new  
workers, unless they could see a  
very distinct and long-term  
need for their services. Mean-  
while a variety of projects have  
been undertaken with the aim of  
mitigating the effect of the  
recession on the unemployment  
figures at almost any cost. Some  
of them have been of more value  
than others. In general they cost  
less than they seem to, because  
of the saving on unemployment  
pay. They become increasingly  
difficult to justify as the prob-  
lems they combat come to appear  
as ingrained aspects of Britain's  
industrial malaise rather than  
brief emergencies that can be  
weathered out.

A number of these initiatives  
have had reference to young  
people, among them some which  
have shown clear signs of des-  
peration. The feebled was per-  
haps the much-publicized induc-  
ment to early retirement so that

the young could step sooner into  
old men's shoes. The various  
work creation and work experi-  
ence programmes have often  
been marked by a futile inge-  
nuity which does not inspire  
confidence. It is no service to  
the morale of the young to set  
them to tasks that are plainly  
useless. Yet the Government  
cannot leave such a vulnerable  
group of workers to bear the  
brunt of the recession.

The commission does not dis-  
guise the scrappy nature of

much of what has been done but  
it seeks a commanding role in  
what it proposes for the future

with only intermittent signs that

it has gone wrong. It also lays  
stress on one additional reason  
why employers are slow to take  
on young recruits. They think  
that they are bad material—un-  
interested and poorly educated.

There is an element of prejudice  
in this time-honoured lament but  
it indicates the priorities that the  
commission should have. Many  
schools today are failing to equip  
their pupils with the skills that  
modern industry demands. The  
worst job shortages exist in  
unskilled work, and demand in  
that category is the least likely  
ever to revive. The money that  
the commission seeks must  
justify itself not by the number  
of idle hands that it keeps  
occupied but by the value of the  
skills that it imparts to them.

### Good from ranched game

From Dr W. E. Ormerod.  
Sir, Your correspondent Marcus  
near suggests, in his article of  
April 22, that the substitution of  
ranched game for cattle would stop  
a flood of insecticides and the  
cessive over-grazing which are  
affecting West Africa so severely.  
I should like to make two com-  
ments.

Firstly, the international organiza-  
tions are at present using insecti-  
cides not so much for the eradica-  
tion of tsetse as of *Simulium*.  
The vector of river blindness. Those  
who see this disease, or the BBC's  
im about it, will realize that the  
use of insecticides for its control  
clearly in the interest of the  
people who are affected: the same  
cannot be said for the use, also  
sanctioned by the international  
organizations, of insecticides for  
eradicating tsetse, since any  
eased meat supplies will only  
infect our people hundreds of  
miles distant and with a higher  
standard of living.

I oppose the eradication of tsetse  
because I believe that the  
insecticides are themselves partic-  
ularly harmful but because of the  
increased degradation of land that  
will result from the consequent in-  
crease in the area of unrestricted  
nomadic over-grazing.

My second point is that while  
game animals in the wild certainly  
cause less degradation than cattle,  
when herded by man game is likely  
to cause as much over-grazing as  
cattle. The major ecological problems  
of West Africa are not the conserva-  
tion of wildlife or the use of  
insecticides. West Africans will  
readily identify these as an essen-  
tially alien set of priorities. Game  
animals are recognized in East  
Africa as a financial asset and their  
ranching may well form part of its  
future pattern of agriculture, but  
in West Africa there has been little  
game hunting. With an east wind blow-  
ing, there were no aircraft within  
miles of the GPO tower.

Yours faithfully,

G. CAMPBELL-SMITH,  
20 Fairlawns,  
Putney Hill, SW15.

May 17.

### Aircraft noise

From Mr G. Campbell-Smith.  
Sir, Mrs Carol Berman, chairman  
of a New York anti-Concorde pres-  
sure group whose photograph  
appears in today's edition (May 17)  
must have extraordinary sensitive  
hearing. With an east wind blow-  
ing, there were no aircraft within  
miles of the GPO tower.

Yours faithfully,

G. CAMPBELL-SMITH,  
20 Fairlawns,  
Putney Hill, SW15.

May 17.

## Distributors of 'Private Eye'

From the Editor of *Private Eye*.

Sir, The anomalies of the Criminal  
Libel Law are not the only issue  
demanding discussion following the  
conclusion of the *Private Eye*/Gold-  
smith litigation.

During the course of this litiga-  
tion a far more dangerous prece-  
dence was established and its legality  
confirmed by the House of Lords.  
I refer to the swing of Sir James  
Goldsmith of minor distributors of  
*Private Eye* and his settling of the  
actions on the distributors agreeing  
never to sell *Private Eye* again. Happily  
for us, the distributors who  
made such an agreement have now  
as a result of the settlement been  
released from their undertakings.  
But it remains the case that not  
only was the swing of the distributors  
it would hardly be ready to con-  
cede the leadership of the gov-  
ernment to Professor Yadin.

Many distributors quite under-  
standably took the view that it was  
simply not worth their while to  
contest the writs, so it is irrelevant  
to speculate on what might have  
been the outcome had the cases  
been taken to court. The mere  
institution of proceedings has been  
shown to be enough to make a  
distributor agree to discontinue  
handing out *Private Eye*.

Our Lord Denning has in his  
wise wisdom seen fit to condemn  
what was done in this case. He has  
gone further and laid down that  
distributors cannot be held liable in  
any circumstances, except when  
they have been given warning in  
advance of publication of a specific  
libel.

This serious issue must be clar-  
ified before others take advantage  
of the precedent that has been  
established.

Yours sincerely,  
RICHARD INGRAMS,  
Editor,  
*Private Eye*,  
34 Greek Street, WL

## Lobby system drawback

From Mr David Dimbleby.

Sir, One drawback to the Lobby  
system not mentioned in today's  
leading article (May 18) is that it  
encourages sloppy journalism. I  
was recently attacked by a Prime  
Minister through the Lobby. On  
one occasion did any member of  
the Lobby check with me what was  
said by the Prime Minister's spokes-  
men. The allegations were simply  
published as though they were  
fact.

Why this abandonment of  
elementary journalistic practice?  
Idleness? Or is it that a diet of  
stories for which neither reporter  
nor source can be held responsible  
(since the meeting at which informa-  
tion passes never officially takes  
place) is so debilitating that, as  
in the Jay affair, it reduces  
Lobby correspondents to mere  
peddlers of titillating tittle?

Yours faithfully,  
DAVID DIMBLEBY,  
14 King Street,  
Richmond, Surrey.  
May 18.

## Police corruption

From Mrs Raymond Blackburn.

Sir, May I take this opportunity of  
placing on record my certain know-  
ledge that the unearthing of police  
corruption, particularly in the  
obscure publications squad, was in  
no small part due to the hard and  
honest legal battles over the  
past few years. It was clear to  
me that illegal rackets were  
flourishing, very quickly discov-  
ered why they were being allowed  
to flourish, and on several occa-  
sions before the judges came too  
close for comfort to spelling it out.

Now surely, all the lawyers and  
eminent judges whom he addressed  
in his cases concerning the  
gaming laws and the pornography  
laws must realize that he was right.  
This made his task "in the eternal  
vigilance of the law", to quote Lord  
Denning, all the more impressive and  
courageous. I am very proud to  
have been associated with him in  
these endeavours.

Yours very sincerely,  
TESSA M. BLACKBURN,  
50 Homelands Road,  
Chiswick, W4.  
May 18.

## Planning for cyclists

From Mr D. R. Widdess.

Sir, Mr Hunter calls attention to  
the "privileged" position of cyclists  
and the right of many of them  
to "cycle only to themselves, but other  
road users". One might add that  
pedestrians are similarly unqualified,  
unprotected and uninsured, and yet  
are frequently found endangering  
themselves and other road users  
by attempting to cross the public  
highway. Perhaps it should be estab-  
lished that in future any cyclist or  
pedestrian venturing on to the open  
road should be preceded by a  
motor car waving a red flag.

Yours faithfully,  
D. R. WIDDESS,  
Newham Cottage,  
Queen's Road,  
Cambridge.  
May 10.

## 'Badger Watch'

From Mr D. F. J. Davies.

Sir, Your correspondent Mr  
Reginald Williams (May 17) has  
missed the point. What spoiled  
*Badger Watch* was the same  
thing that ruined the 1976 Olympics,  
and obliges me to leave the room  
whenever my family is watching  
televised sport, the fact that people  
will not stop talking. Pretending to  
an encyclopedic knowledge of the  
activity concerned and close  
acquaintance with all the players,  
they distract the watcher with  
superfluous technicalities and even  
claim to know what people are  
thinking. Rather than be quiet they  
will retail trivia of the most num-  
bing kind.

If television had accompanied  
Beatrice Harrison to that Surrey  
wood I doubt the nightingale would  
have got a trill in edgeweave.  
Yours faithfully,  
D. F. J. DAVIES,  
Brentwood,  
Station Road,  
Surrey, TW15.

May 17.

## LETTERS TO THE EDITOR

### The judges and trade union rights

From Mr Nicholas Scott, MP for  
Kensington and Chelsea (Conserv-  
ative).

Sir, It comes as a sadness but no  
surprise to learn that the Leader  
of the House of Commons, Mr  
Michael Foot, is now announcing  
the judiciary before the Union of  
Postal Workers. Previously he has  
debased the procedure of the House  
of Commons by proposing successive  
genuine measures that limited the  
freedom of the press with a closed  
shop and proposed the dismem-  
berment of the House of

proposed strike illegal, as it  
undoubtedly is by virtue of an Act  
of Parliament. The Attorney  
General sought to prevent them  
from saving it by brandishing his  
"discretion" not to seek an  
injunction to stop the strike. Now  
the label "cat" covers a wild tiger  
and a domestic tabby, but for the  
purposes of going to bed in the  
same room with one, a blind  
adherence to that label might prove  
suicidal.

Similarly, it is one thing not to  
take action against an individual  
in respect of a particular action;  
it is quite another thing when  
the offence is nationally organized,  
defiance of an Act of Parliament,  
in protest against the policy of a  
foreign country, and likely to inflict  
hardship on uninvolved people here.  
To label the latter simply as an  
exercise of "discretion" is like  
labelling a tiger as a "cat". If  
label there must be, then the choice  
lies between "rule by law", where  
law is used or not simply as an  
instrument of executive power and  
discretion, and "rule of law", where  
law serves to control power.

The Court of Appeals' decision  
reflects the latest in a long line of  
decisions by the judiciary in  
relation to the abuse of power in  
any quarter. To criticize it on the  
ground of anti-union prejudice can  
only reveal the prejudice of the  
critic. Ironically, the Post Office  
Workers' Union, and no doubt Mr  
Foot, stand foremost in opposing  
the "rule by law" in South Africa.

Yours faithfully,  
NICHOLAS SCOTT,  
House of Commons.  
R. W. M. DIAS,  
53 Barnsbury Road,  
Cambridge.

From Mr R. W. M. Dias.

Sir, Michael Foot's recent attack  
on the judiciary can only dismay  
even some of his supporters. One as  
learned as he in history must surely  
know that the traditional role of the  
judiciary can be seen as siding with  
the "under dog". Thus, in the  
seventies, the judiciary, especially if  
it came to the rescue of an individual  
when he was threatened by the over-  
mighty monarch (executive), just as  
it has come to the rescue of workers  
when threatened by overmighty  
employers (eg, by virtually abolishing  
the defence of consent to claims for  
damages by injured workmen, by  
curtailing the operation of uncon-  
scionable terms in contracts of  
employment and in several other  
technical ways). Where an act is  
illegal or law, judges have no alter-  
native but to perceive the threat  
to individual rights from over-  
mighty executive. The judiciary, to  
its credit, has not been so far as to  
overturn the "rule by law".

This has nothing to do with any  
anti-union attitude. Indeed, the  
evidence gives no support to such an  
assertion. For instance, in the *Crofters*  
*Harris Tweed* case in 1942 the House  
of Lords interpreted the law of  
conspiracy so as to exclude from its  
scope combinations in protection of  
legitimate trade interests. The  
public does not hear of this case,  
nor of many others to be found in  
law reports. Today, it needs a robust  
pro-union bias not to perceive the  
threat to individual rights from over-  
mighty executive. The judiciary, to  
its credit, has not been so far as to  
overturn the "rule by law".

Is there no limit to Mr Foot's

hypocrisy?

Yours faithfully,  
R. W. M. DIAS.

53 Barnsbury Road,  
Cambridge.

From Mr Alan Dyer.

Sir, The proponents of the closed  
shop and staunch apologist for  
Gandhi's authoritarian regime  
whose assault on the individual's  
liberties has led to the campaign<br



# THE TIMES

## BUSINESS NEWS

For Saving  
Investing and  
House-Purchase  
HALIFAX  
BUILDING SOCIETY

For Saving  
Investing and  
House-Purchase  
HALIFAX  
BUILDING SOCIETY

## ICI earmarks £140m for Teesside and confirms German expansion plans

Peter Hill  
Industrial Correspondent

Plans for a big expansion of ICI's facilities in Britain and Europe aimed at winning more of the European Chemicals market were revealed yesterday.

The company is to expand its complex at Wilton, Teesside, and confirmed it is negotiating for a 300-share site at Wilhelmshaven, West Germany.

IV gave no details of the amount of money to be spent at Wiltonshaven-West Germany's only deepwater port, where there has been industry expansion up to £600m in the next few years.

At Wilton ICI will extend

facilities for the production of chloroalkalis and vinyl chloride monomer and the new German site will contribute to British output for the production of chloroalkalis and vinyl chloride monomer and

But ICI appears to have

fused a potentially damaging

conflict with British trade

unions over its plans for Wiltonshaven.

Union leaders were concerned at lack of consultation and at the possibility of ICI building a large ethylene cracker on the site, in view of the Government's belief that four ethylene crackers would be required in the United Kingdom by 1980.

The potential of North Sea oil and gas was to be fully exploited.

Last night, however, ICI said it had no plans to construct a large ethylene cracker at the German location. The complex would draw its feedstock from Britain and from other sources.

Mr Roger Lyons, national chemist of the Association of Scientific, Technical and Managerial Staffs, said last night that the union welcomed the decision to expand at Wilton, but was not entirely happy about the German plant proposals, although further details would be sought at a meeting shortly with ICI executives and the trades unions.

In its statement ICI said that

MF team arriving to check books

Members of the IMF team who are to review Britain's economic progress since the arrangement of a \$3.90bn (about £2.294m) loan last December are expected to arrive in London today for consultations on Monday.

Officials in Washington and London have stressed the unique nature of next week's discussions and pointed out that the Fund is due to visit London this week for the annual discussions which it has with all major

World Bank members.

However, these IMF team negotiations, with a difference, will be reviewed in the team in the light of the Chancellor's Letter of Intent of December. There is still a week to go before the targets for government borrowing and credit expansion which were agreed in return for IMF loan.

Transformation in Britain's financial position since then has probably put these targets within easy reach. The £8.70bn call for public sector borrowing 1977-78, which was so fiercely resisted over last year, now looks as if it may leave room for further reduction through tax this autumn.

There were some settlements which are thought to have pushed up earnings tax bonuses paid out at the end of the fiscal year and an increase in overtime which is thought to have accounted for 1 percentage point of the 19 per cent increase.

There is still no strong evidence of any widespread evasion from the workings of the current policy, and basic wage rates increased hardly at all in March or April.

Some of the slippage from the original prediction of the likely pay-up under the policy is almost certainly to be explained by the pick-up in overtime (now at 16,000,000 hours a week), caused by the slow but fairly steady rise in industrial production which has been going on in recent months.

But there is clearly some unexplained slippage from the terms of the original policy and there is the possibility that the special circumstances which seem to have operated during March may themselves have been used by employers seek-

Earnings pass year's target after 8 months of pay bargaining

By David Blake  
Economic Correspondent

A sharp increase in earnings of 19 per cent during March meant that the Government's target for the growth of earnings during the current round of policy was exceeded with only eight months of the bargaining year gone.

By the end of March average earnings had risen by 7.9 per cent since July 1976.

Government officials concede that the 7 per cent target originally set is now unattainable, but say they still believe that during the current year the earnings growth will be below 10 per cent.

The last time that the increase in earnings increased by a large amount was December, when Christmas bonuses provided much of the explanation. The seasonal adjustment mechanism is designed to remove such anomalies; but it is possible that special exemptions are being used more nowadays in an effort to mitigate the full rigours of pay restraint.

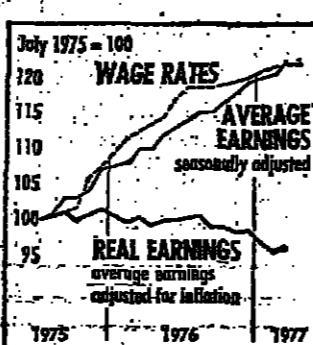
Read earnings during March rose fractionally before tax, thus ending a decline which has proceeded since August of last year. They are, however, still nearly 4 per cent lower than they were at the beginning of the TUC's agreement with the Government in July 1976.

It is the hope of the TUC that the total increase in earnings in the year to the end of July will fulfil their pre-tax earnings target of 10 per cent.

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Bank signal for static MLR

The Bank of England yesterday signalled to the money markets that it would prefer to see Treasury bill rates remain consistent with the continuation of minimum lending rate at 8 per cent.

It reactivated the Treasury bill related formula for setting MLR only last Friday, and appears to wish not to be left with the dilemma tomorrow of having to decide whether to suspend the formula again or make a fresh cut in MLR.

Treasury bill rates last night, however, were only marginally above the 7.8 per cent level

ing to deal with workers' discontent over the problem caused by the squeeze on real earnings.

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### Threat to block part of deal on Cavenham

By Christopher Wilkins

A group of warrant holders in Cavenham is threatening to block a vital part of the proposed deal under which Sir James Goldsmith's Générale Occidentale is to acquire half of the 49 per cent stake in Cavenham it does not already own.

Warrant holders are important to the success of the partial offer because their approval is required before any new preference shares can be issued. A feature of the GO bid is that shareholders who continue to hold shares in Cavenham after the offer should receive a scrip issue of one new preference share for every three ordinary shares.

Last year ICI expected £300m of products in the EEC and a further £120m worth to other parts of Western Europe. Earlier this year the company outlined spending plans for the next few years and this year will spend £550m on new investment and will sanction a further £700m of investment.

When the latest development at Wilton is completed it will provide jobs for 300 people and a much larger number during the construction.

The anomaly is that the new complex at Wilton will be brought

into stream by early 1980.

The company said that capacities for the various products involved have yet to be determined.

The warrant holders argue that the offer of 42p per warrant is much too low and are likely to hold out for a higher offer. The sums involved are extremely small, the present bid being worth only some £620,000.

But while the warrant holders seem to be in a strong position, the GO partial bid itself is not conditional upon their approval. The proposed preference share issue was only incorporated into the scheme at the insistence of Sir James Goldsmith, adviser to the minority shareholders. If Sir James Goldsmith decided to proceed with the rest of his proposals the minority shareholders would have to forgo the additional income.

Both Montague and Hamblin, adviser to GO, will argue that the offer for the warrants is generous. As the offer document is already largely drafted it is inconceivable that the terms will be revised immediately, and the chances of a better offer being made for the warrants later look slim.

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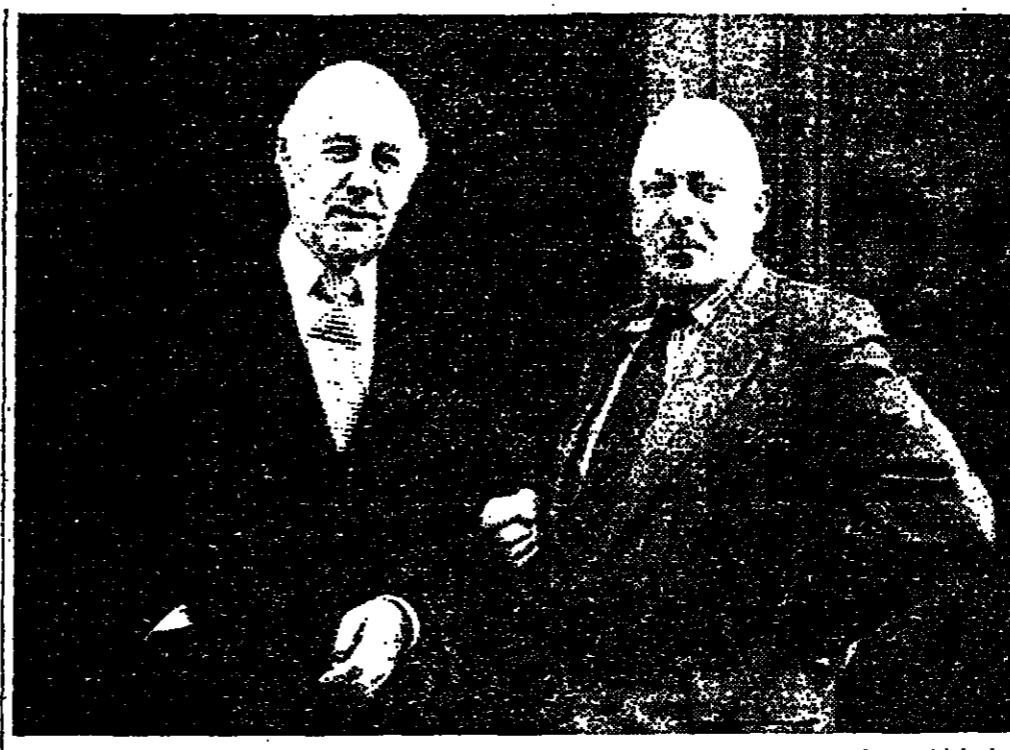
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CBI chief to retire: Lord Watkinson, president of the Confederation of British Industry since May 1976 (on right of picture), is to give up the appointment at the end of the year, four months early. The decision is taken on medical grounds. He will be succeeded by Mr Hedley "John" Greenborough (left), deputy chairman and managing director of Shell UK.

The CBI president announced his decision yesterday at the confederation's annual meeting.

Mr John Methven, the CBI's director general, was apparently known of the problem for some weeks.

Normally the CBI president would have

been in office for a four-year period, which would have taken Lord Watkinson through to May next year.

Addressing the annual meeting, which had clearly expected to reflect the president for his second year, Lord Watkinson said: "Following a medical check-up which we all have from time to time, I have to try and reduce my commitments somewhat if I am to stay reasonably fit.

"It seems best for the CBI that I should carry on for the rest of 1977, which I think I am capable of doing if you reelect me this morning, handing over to my successor four months earlier than usual." Lord Watkinson was the main architect with Mr John Methven in the CBI policy document, "The Road to Recovery".

Business Diary, page 23

### Welcome for lifting of London offices curbs

By John Brennan

A complete about-turn in the Government's thinking on office development within central London has justified the property industry and received embarrassed acceptance from the Location of Offices Bureau.

In the past 14 years, LOB has helped 2,000 firms to move 140,000 office jobs from central London.

The Office in Council established the bureau charged

to "encourage the decentralisation of office employment from congested central London to suitable places else

As a result of Tuesday's statement by Mr Shore, Secretary of State for the Environment, the LOB has been given the job of attracting overseas office employers to this country and of "attracting office employment from inner London, the relaxation of office controls in the south-east".

The LOB is clearly very sensitive to the fact that after a decade and a half of success in helping office workers out of London, it now has to bring them back in. A spokesman commented yesterday: "No one expects us to go out and bring back the jobs we helped to move."

The bureau has long wanted to expand its role outside of the Greater London area, and Mr Shore's proposals do significantly extend its brief.

Apart from drawing British and overseas office employers into central London, LOB is to

be an agent of the Government's plans to get a better distribution of offices throughout the country.

Mr David Llewellyn, chief executive of English Property Corporation and president of the British Property Federation, said yesterday: "This is a very welcome move in the right direction."

He was encouraged by the Government's change of heart on inner city offices and the relaxation of office controls in the south-east.

In his statement on Tuesday, Mr Shore announced that, in line with the Government's plans to stimulate employment in the construction industry and to reverse the drift of employment from inner urban areas, the exemption limit for office development permits would be raised from 15,000 to 30,000 sq ft.

Offices employing only 200 to 300 people are to be exempt from 55 per cent of development applications received.

Mr Sydney Mason, chairman of Hammerson Property & Investment Trust, told an outspoken critic of the Government's policy on office development that, despite the bureau's change of heart, he would not be able to go out and bring back the jobs we helped to move."

The partners drilled on this block several years ago with an older-type rig, and encountered high pressure gas. A new rig, Sea Conquest, struck a well earlier this year, and little has been heard since about progress.

Industry observers, however, feel that the significant gas discovery may eventually be confirmed.

In the case of oil, the drilling is on block 15/13, north east of Piper, where a small quantity is said to have been produced but still has to be assessed.

### Vintage toy discovery could fetch £500,000

Dunbee-Comex-Marx, Britain's and Europe's largest toy group, believes it has stumbled on a new realizable asset—two collections totalling some 12,000 vintage toys.

A large proportion were found after DCM took over Louis Marx, the leading United States manufacturer. They were in a locked, forgotten store.

The toys, some dating back to 1912 but most from the period 1925 to 1950, could be worth well over £500,000 according to Mr Richard Beecham, DCM's chairman.

To the United States find have been added nearly 1,000 items from a collection held by Schuco, the West German toy maker which DCM has also bought. Both Marx and Schuco had collected examples of other manufacturers' products as well as their own.

Among the Marx collection, found when Mr Beecham investigated a Pennsylvania store-room neglected for nearly 20 years, are many toys popular in the 1930s. They include clock-work train sets, diecast vehicles and aeroplanes, and wind-up figures in tin, including representations of Charlie Chaplin and Charlie McCarthy.

Sotheby's is to auction the toys, starting with an offering of nearly 400 in Los Angeles next Sunday. A New York auction will follow on June 8 with another in London on June 15. Others in West Germany, Switzerland, Italy and Japan are likely to follow.

Mr Beecham said: "It is probably the first time that such a complete collection of manufacturers' toys has gone to auction. Sotheby's expectations, believe many individual items will fetch more than £100."

"We have yet to see what the market values really are. There could be a lot of people with this sort of thing tucked away in their attics who could be surprised by the value."

He described the likely profit from the toy collection as an unexpected bonus from DCM's two company purchases.

In April last year DCM paid £15m (about £8.5m) to Quaker Oats for the toy interests of the Louis Marx group in North America and Hong Kong. About 55m in assets have already been sold and a £16m loss turned into a small profit.

Turnover this year is being budgeted at £70m compared with £50m last year. Mr Beecham is also looking to turn round the fortunes of Schuco which he brought from the liquidator at the end of last year.

Mr Beecham will not sell all the toys in the collection. DCM is to start an exhibition of its own.

## NOTICE OF REDEMPTION

To the Holders of

Compañía Anónima Nacional  
Teléfonos de Venezuela

## 8 1/4% Guaranteed Sinking Fund Debentures Due 1987

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Fiscal Agency Agreement dated as of December 15, 1972 providing for the above Debentures, \$350,000 principal amount of said Debentures bearing the following serial numbers have been selected for redemption on June 15, 1977, through operation of the Sinking Fund, at the principal amount thereof, together with accrued interest thereon to said date:

## DEBENTURES OF \$1,000 EACH

246	5461	5889	4346	5902	6243	6110	7205	3014	8233	9071	9287	10414	11065	11891	12844	14193
277	1875	3067	4332	8297	8323	9322	7417	8128	8507	9123	9818	10479	11080	11756	12730	14246
278	1874	3142	4378	8251	8353	6993	7412	8121	8501	9123	9818	10479	11080	11756	12730	14246
283	2023	3331	4381	8254	8361	8501	7508	8181	8577	9231	9851	10532	11108	11829	13069	14537
488	2148	3352	4384	6423	7007	7558	6181	8244	8527	9241	9851	10532	11108	11829	13069	14537
542	2290	3402	4385	6424	7032	7558	6182	8245	8528	9242	9852	10533	11109	11830	13070	14538
543	2288	3425	4384	6502	7034	7559	6183	8246	8529	9243	9853	10533	11109	11830	13070	14538
545	2455	3493	4385	6503	7256	7559	6184	8246	8529	9243	9853	10533	11109	11830	13070	14538
525	2455	3493	4385	6503	7256	7559	6184	8246	8529	9243	9853	10533	11109	11830	13070	14538
526	2455	3493	4385	6503	7256	7559	6184	8246	8529	9243	9853	10533	11109	11830	13070	14538
515	2570	3518	4386	6503	7256	7559	6185	8246	8529	9243	9853	10533	11109	11830	13070	14538
1043	2659	3685	5021	6504	7256	7559	6186	8246	8529	9243	9853	10533	11109	11830	13070	14538
1152	2677	4236	5117	6504	7256	7559	6186	8246	8529	9243	9853	10533	11109	11830	13070	14538
1247	2752	4236	5117	6504	7256	7559	6186	8246	8529	9243	9853	10533	11109	11830	13070	14538
1259	2863	4324	5141	6139	8875	7383	7897	8463	8568	9358	10409	11010	11888	12566	14109	

On June 15, 1977, the Debentures designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Debentures will be paid, upon presentation and surrender of the same, at the corporate trust office of Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N.Y. 10015 or (b) at the main office of any of the following: Morgan Guaranty Trust Company of New York, Brussels, Main, London, Paris and Zurich; Bank Mees & Hoep N.V. in Amsterdam; Banca Vonsiller & C. S.p.A. in Milan and Roma and Credit Industriel d'Alsace et de Lorraine, S.A. in Luxembourg. Payments at the offices referred to in (b) above will be made by check drawn on a dollar account, or by transfer to a dollar account maintained by the payee with a bank in New York City.

Coupons due June 15, 1977 should be detached and collected in the usual manner.

On and after June 15, 1977 interest shall cease to accrue on the Debentures herein designated for redemption.

Compañía Anónima Nacional Teléfonos de Venezuela

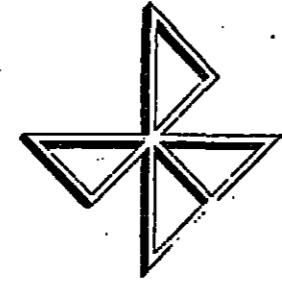
Dated: May 12, 1977.

## NOTICE

The following Debentures previously called for redemption have not as yet been presented for payment:

## DEBENTURES OF \$1,000 EACH

1240	3205	5032	5351	7205	13236	13284	13289	13300	13324	14703	14855
------	------	------	------	------	-------	-------	-------	-------	-------	-------	-------

Wilmot  
Breeden

1976	Increase on 1975
Sales	\$83.33 million
Pre-tax profit	\$6.211 million
Earnings per share	13.7 p
Dividend	2.75898 p (maximum permitted)

Some highlights from the Review of the Chairman, Mr D L Breeden:

- Group overseas earnings continue high but UK profit also improved and formed 33% of total.
- 1977 likely to be a year of consolidation, further advances looked for in 1978.
- Excellent results from French factories.
- 1976 UK demand for motor components higher than forecast but early 1977 trading affected by customers' industrial disputes. Factory reorganisation will give further economies when complete in 1978.
- Truflo (power generation, valves and air movement) had major expansion in exports.
- Loss in electronics sector brings steps to reduce operation and thereafter expand on solid foundation.
- Telehoist (vehicle hydraulics) with profits again up 60% shows programme of spending on modern plant pays off.

Copies of the Report and Accounts can be obtained from the Secretary  
Wilmot Breeden (Holdings) Limited  
P.O. Box 173, Amington Road, Birmingham B25 8EW

All these Notes having been sold, this announcement appears as a matter of record only.

U.S.\$50,000,000

## Midland International Financial Services B.V.

(Incorporated with limited liability in the Netherlands)

## Guaranteed Floating Rate Notes 1987

Guaranteed on a subordinated basis as to payment of principal and interest by



## Midland Bank Limited

(Incorporated with limited liability in England)

The following have agreed to subscribe or procure subscribers for the above Notes:-

Samuel Montagu & Co. Credit Suisse White Weld Limited

Amsterdam-Rotterdam Bank N.V.

Creditanstalt-Bankverein

Merrill Lynch International Bank Limited

Salomon Brothers International Limited

Société Générale de Banque S.A.

European Banking Company Limited

Banca Commerciale Italiana

Deutsche Bank Aktiengesellschaft

IBJ International Limited

Nomura Europe N.V.

Société Générale

Union Bank of Switzerland (Securities) Limited

19th May, 1977

## New anti-dumping duty imposed to halt Japanese steel shipment

By Peter Hill  
Industrial Correspondent

Tough action against Japanese steel imports was announced by the Government last night. Imports of steel flats from Japan are to be the subject of an immediate £15 a tonne anti-dumping duty aimed at heading off a large shipment now on its way to the United Kingdom.

This is the second duty to be imposed by the Government against Japanese imports—a £20 a tonne duty on steel sections was introduced last month pending completion of a full anti-dumping investigation into imports of both flats and sections.

The latest move follows the strongly-worded speech given

by Mr Dell, Secretary of State for Trade, in talks last month in Tokyo and represents a further illustration of his department's willingness to act if adequate evidence of dumping can be provided.

But within Whitehall it is now acknowledged that further action against Japan could lead to retaliatory action and possibly threaten voluntary Japanese restraint on other exports to the United Kingdom.

News of the latest controls was given by Mr Meacher, Under Secretary of State for Trade when he met a party of Sheffield MPs, trade unionists, and management representatives with Mr Buckley, Under Secretary of State for Industry. He also disclosed that he

hoped shortly to announce quantity and price arrangements for imports of steel reinforcing bars from South Africa.

This would ensure a fairer future for the industry than anti-dumping action, he said.

Mr Meacher agreed to raise the question of extending the surveillance, licensing system, as part of the anti-crisis package to embrace certain selected special steel products.

He also explained that in view of growing concern in Europe at the level of Japanese stainless steel exports to the Community, a team of EEC officials would be having talks in Tokyo next week as part of an investigation into complaints from European producers.

He is pleased to report for 1976 a pre-tax profit of £2,775,000, another record for the Company and approximately £250,000 more than was forecast in my interim statement. Against this figure there has to be set the £500,000 doubtful debt provision which was announced at the half-year, leaving a Group profit before taxation of £2,275,000. Turnover for the Group exceeded £100 million for the first time.

Directors are again recommending the maximum dividend permitted making a total for the year of 3.0734p per share against 2.794p for 1975.

Since the year-end the ratio of borrowings to shareholders' funds has been substantially reduced by the sale of two property investments which together have achieved a realisation of £3.43 million.

Higgs and Hill Building Limited and Higgs and Hill Northern Limited together contributed the major portion of the Group's turnover and profit.

Our intake of new building orders in the United Kingdom during 1976 was well below that of recent years but because of our heavy bias towards long-term projects this shortfall will have a delayed effect and our concern is for 1978. Our reputation in the industry continues to generate a high level of enquiries and I have every confidence in our ability to ride the present recession.

We have decided to concentrate our overseas efforts on two main areas—the Middle East and the East Caribbean. In the Middle East we are operating a wholly-owned subsidiary in Bahrain and a joint company in Saudi Arabia and are shortly to begin our first joint-venture contract in Qatar. In Trinidad work started during the year on the major East-West Corridor road.

Our housebuilding division, Higgs and Hill Homes Limited, has continued to establish itself as a separate profit centre and is regarded as a growth area for the future.

Frankfurt financiers were surprised by the measures which they interpreted as a Federal Bank move to stimulate the German economy in view of its recent sluggish growth performance.

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In France, our residential scheme near Paris and our industrial development at Nice have both progressed well and will make welcome profit contributions in 1977.

My present expectation is that the Company's profits available for distribution in respect of 1977 will be no less than those achieved in 1976.

## Higgs and Hill Limited

	1974	1975	1976



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## EEC steel output continues to decline

By Peter Ehi  
Industrial Correspondent

European steelmakers are still languishing in the depths of a recession which has dogged the industry for almost two years, and which has prompted anti-crisis measures to be taken by the EEC Commission.

Latest production indicators published by the Commission showed that output in the first four months of this year amounted to 42.6 million tonnes, representing a 3 per cent fall on the level achieved in the corresponding period of last year. Output in April fell by 12.3 per cent to 10.14 million tonnes compared with the previous month, and was 9 per cent lower than in the corresponding month of 1976.

The Commission noted that steel production in the early part of last year had increased steadily, reaching a peak for the year of 12.06 million tonnes in May, but the upward trend ended towards the end of July last year.

Production in all EEC steel-making countries fell back during April, said the Commission, with Belgian steelmakers suffering the sharpest decline in output compared with the previous month, with a fall of 16 per cent. Output of the West German industry fell by 14.3 per cent, the United Kingdom by 11.5 per cent, while the French recorded a 13 per cent fall and Italy a drop of 8.2 per cent.

The West German steel industry reported yesterday that the inflow of orders of rolled steel products fell to 1.87 million tonnes during April compared with 2.18 million tonnes in March, and orders exceeded deliveries by the industry.

## New move on GEC-Parsons merger talks

By Our Industrial Editor

Mr Leslie Murphy, deputy chairman of the National Enterprise Board, is making renewed efforts to bring together GEC and Recycle Parsons. Find a formula for rationalization in the turbo-generator manufacturing industry. The move follows the Prime Minister's meeting on Monday with Sir Arnold Weinstock, GEC's managing director.

The parties have not talked together in any detail since a meeting arranged in late April was cancelled.

Relationships between GEC and Parsons are strained, so any hopes for an early resolution of differing attitudes towards the creation of a new turbo-generator company will call for considerable negotiating skill by the NERB.

Meanwhile, GEC announced yesterday that it has been short-listed as tender for a major Australian power station order, to be placed in October, for two 500 MW sets worth £25m, with an option to bid for a further two sets in the early 1980s.

Letters, column 6

## BAC's final annual report before state takeover shows profits surge

By Arthur Reed  
Air Correspondent

British Aircraft Corporation (Holdings) Ltd yesterday announced record sales, exports, profits and earnings per share in its last annual report before nationalization.

In a note with the accounts it cast doubt on the wisdom of the Government's decision to put the aircraft industry into public ownership.

BAC recalled that the aerospace industry was referred to as a prime candidate for nationalization in Labour's programme for 1973, and the comment was prompted by a joint working party for the Labour Party, the TUC and the Confederation of Shipbuilding and Engineering Unions in a state-

ment in July 1974, approved by the national executive of the Labour Party.

Then, and since no evidence had been offered to show why and how the aerospace industry's operations would be improved for its own and the national good.

"Those responsible in Parliament for bringing about this change in ownership for doctrinaire political reasons will have created additional and unnecessary burdens for the management of the recently established British Aerospace, burdens which can only be successfully borne by professional managers with ingenuity and resourcefulness of the highest order."

It was to be hoped they

would be able to master these new problems and maintain or even better the progress made under private ownership.

In the annual report, BAC reported total sales of £483m, compared with £307m for 1975. Trading profit was £33m (£26m) and group profit before taxation £29m (£30m). Group profit after taxation and excluding extraordinary items was £19m (£14m) with earnings per share 64p (47.2p).

New orders received in 1976 amounted to £646m, leaving orders in hand at the end of the year at £1.03bn, compared with £850m at the end of 1975. More than 75 per cent of the orders were for export, mainly for military products and support services.

## Investment in unit trusts falls

By Ronald Kershaw

Dr John Cunningham, Under-Secretary of State for Energy, on a two-day tour of Yorkshire and Humberside, told energy managers that economic fuel pricing would help conservation and ensure the highest energy efficiency.

The trend of energy prices would be upwards. Wasteful habits tied to cheap energy no longer made sense, he said.

Dr Cunningham said the Government could not take people's energy decisions for them, but it could get the economic signals working in the right direction and allow energy prices to reflect the true costs of production.

"We have maintained from the beginning that the energy manager must have access to, or better still, be part of top management. He must have the commitment of the senior decision-makers in the company."

Dr Cunningham said that for long-term investments a future view of energy prices was essential.

He said: "All I can say is that price trends will be upwards.

## Liverpool dock strike continues

By Our Financial Editor

The 11-day-old unofficial strike of 800 clerical workers which has reduced the port of Liverpool to half capacity is to go on, possibly for another week. A meeting in Transport House, Liverpool, yesterday voted overwhelmingly to accept the recommendation of the shop stewards to stay on.

The strike has already led to the laying off of 3,500 dockers employed by the Mersey Docks & Harbour Company, and at least 8 ships have been diverted from the Mersey. Mr Jimmy Symes, organizer of the Association of Clerical Staffs, said: "The port employers seem hell bent" on a confrontation.

Pleasurama, whose interests range from dancing and bingo clubs to a lion park in Australia, owns a chain of provincial casinos.

The company opened a casino called the "Casino Club" in Mayfair, London, in 1972. The club was to be run as a joint venture under the name of

Mayfair Casinos Ltd, and Pleasurama sold 75 per cent of its shares in it to Chippa under a shareholders' agreement.

During its first 10 months of operation the club lost some £150,000, but in the year to September 30, 1974, it made a profit of £930,200.

Subsequent problems, including a labour dispute over union recognition, then led to severe losses, and relations between Pleasurama and Chippa became strained.

Chippa used its majority shareholding in Mayfair Casinos to force the company to assume the club's debts. Mr Justice Goulding has held

that the award is of great significance to Pleasurama, whose market capitalization is only £2.4m and whose record profit last year was £955,500.

Mr Edward Thomas, managing director of Pleasurama, said last night that the Mayfair Casino interest was in Pleasurama's books at £200,000.

## Standstill at Chloride plants costs £1.5m

By R. W. Shakespeare

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The dispute centres largely on the rejection by five unions—notably the Transport and General Workers' Union to which the majority of the Chloride workers belong—of a productivity deal.

This would enable the workers to earn a £4 a week bonus in addition to the 5 per cent wage increase they have received under phase two of the Government's incomes strategy. However, shop floor representatives claim that other issues apart from productivity are involved in their demands, including pensions, working arrangements and the import of foreign-made batteries.

The company claims that with average wages running at £76 a week it has been paying for productivity that has not been delivered, and it cannot afford to go on doing so. It says that production in the British plants must be brought into line with its manufacturing centres overseas.

With entrance to the big factory at Clifton Junction barred to them by the 3,500 workers who are staging a sit-in, a team of 25 senior Chloride executives have set up a temporary headquarters in a hotel at Bolton to deal with customer inquiries particularly from Europe.

Mr Peter Berry, manufacturing director for Chloride, said: "There have been no approaches or developments towards a solution of the problem, but we are prepared to talk to union representatives.

"We have made it clear that we are keen to resolve the dispute as soon as possible, but we are insistent that real productivity improvement is of fundamental importance."

## Economic fuel pricing will aid conservation

By Ronald Kershaw

Dr John Cunningham, Under-Secretary of State for Energy, on a two-day tour of Yorkshire and Humberside, told energy managers that economic fuel pricing would help conservation and ensure the highest energy efficiency.

The trend of energy prices would be upwards. Wasteful habits tied to cheap energy no longer made sense, he said.

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"We have maintained from the beginning that the energy manager must have access to, or better still, be part of top management. He must have the commitment of the senior decision-makers in the company."

Dr Cunningham said that for long-term investments a future view of energy prices was essential.

He said: "All I can say is that price trends will be upwards."

## Pleasurama wins casino action

By Our Financial Editor

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Pleasurama, whose interests range from dancing and bingo clubs to a lion park in Australia, owns a chain of provincial casinos.

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Mayfair Casinos Ltd, and Pleasurama sold 75 per cent of its shares in it to Chippa under a shareholders' agreement.

In May 1975, Pleasurama served a purchase notice on Chippa to buy back the 25 per cent stake in Mayfair Casinos for £1.163m. This was followed by the High Court's ruling in favour of Chippa.

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## LETTERS TO THE EDITOR

### GEC's view of the power plant rationalization controversy

From Lord Nelson of Stafford

St. White, we at GEC are always grateful for constructive criticism and advice. I feel I must comment on some of the statements in Mr Mike Thomas's letter (May 18) concerning the restructuring of the United Kingdom power plant manufacturing industry. It would be wrong for misleading statements, which might hinder progress towards a rational solution of this nationally important problem, to go uncorrected.

Mr Thomas says that C. A. Parsons produce "the most efficient turbo generators in service with the GECB". This is irrelevant: the turbo generators to which he refers are of a type no longer ordered by the GECB. Both GEC and Parsons have introduced more advanced designs which are currently being supplied and commissioned. As far as I can see, Parsons have manufactured the highest rated nuclear turbo generators in the world. GEC is among others who have manufactured higher rated machines than Parsons.

Mr Thomas asserts that the trade union and industrial movement involved in the restructuring of the industry could have some effect on overseas customers. But it is simply not true to say that overseas customers are concerned about different parts being built at different plants. If Mr Thomas had consulted C. A. Parsons before he wrote his letter, they should have advised him that manufacturing different parts in different plants can assist in standardization and the reduction of costs; major turbine manufacturers in the world, including GEC, practice this practice.

Mr Thomas asserts that the GEC, I hope this is not true, to have taken enough notice of the views of the shop stewards in the GEC turbine generator plants. Maybe that is because our stewards do not represent workers in the constituency situated in that highly politically sensitive area, the North-East of England. A number of them, indeed, come from the often surprisingly ignored area of Northern Ireland, where unemployment is certainly no less a problem than elsewhere.

Mr Thomas has been misinformed.

Mr Thomas tells us that either British turbo generator company has received an export order for almost six months. This is not true.

There was considerable surprise in our offices this morning when we read that our technology was "largely American based". In fact we are proud that our technology is completely British. Clearly

it is true that Parsons have not had any significant export orders over the last two years. Let alone six months, that does not apply to GEC.

Only last month we signed

the contract to provide plant

for the second phase of South Africa's Drax power station.

A contract valued at £70m. Last month, also, we received the Queen's Award in Industry which, as Mr Thomas will know, was given for export achievement over the past three years.

I agree entirely that the upheaval involved in the restructuring of the industry could have some effect on overseas customers. But it is simply not true to say that overseas customers are concerned about different parts being built at different plants. If Mr Thomas had consulted C. A. Parsons before he wrote his letter, they should have advised him that manufacturing different parts in different plants can assist in standardization and the reduction of costs; major turbine manufacturers in the world, including GEC, practice this practice.

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trade union and industrial movement involved in the restructuring of the industry could have some effect on overseas customers. But it is simply

BY THE FINANCIAL EDITOR

## A turning point for property

1977 will become recognisable as a major turning point for the property industry. For the first time in four years conditions are ripe for a renewal of property development activity.

The demand and supply equation for commercial space moves progressively in favour of demand, renewed confidence in the sector underpins values of the physical property, and, sequentially, in the property markets.

Mr Shore's relaxation of Development Permit controls his reinterpretation of the Office of Statistics' and the underlying assumptions in his statement on today that the Government is longer opposed to inner city developments: clearly one factor to new developments.

The other critical barrier is its. Having stabilised after a year slide, rents for prime space in London continue to be restricted by the over-hang in space. But if the LOB is efficient in bringing offices into the inner cities as it is, then that over-hang will not long.

Although LOB statistics show a million sq ft of empty space in London and 112 million sq ft in the GLC area, daunting figures are put perspective by the fact that there 4 per cent increase in office jobs will be sufficient to ease a space famine.

Over rising inner city rates general office management are bound to slow the rate of rent growth. But the awaited space famine and a boom has been brought rapidly nearer by Mr Shore's political and space demands are therefore moving in our of the industry, and the critical element of finance is now becoming available at a realistic cost. The

flow of institutional funds analysis by stockbrokers are, Govett suggests, an in-

crease of new investible funds £580m to £590m this

year. Heave expects that, since

investment securities are no longer an unquestioned first

choice for fund managers, total will go into property

£1.50bn to £1.53bn last year.

Institutions are showing a marked reluctance to bid prime

property yields down below the one cent mark and this, quite

cautious caution, added to the more apparent shortage

institutional quality properties for sale suggest a state of

property company take-overs in

order to absorb ready-made

property portfolios.

It would be unreasonable to

expect an overnight industry

boom. And there is still

element in the £3,000m plus

bank and shorter-term in-

stitutional lending to the sector

which is secured on unrealistic

values. Properties made

more unrealistic by

unjustified interest charges

over-hanging may never be

cleared, and corporate

timings of the 1973 crash face

prospect of renewed con-

cern in the sector which

warmed feelings given the dan-

ger that creditors patience will

finally exhausted.

Nevertheless, the sheer

size of institutional cash now

available, the significantly

reduced political and planning

time and the steady decline

in the office over-supply add

to a recovery in the market

herring momentum from now

on.

Colworth

allied

volume

though anything but exciting

Colworth's first-quarter re-

turns are in a shade better

than stock market expectations

## Business Diary: Hedley, Harry & John • BSA's Stow

iple who know Hedley Berd Greenborough can never see whether he is to be called Harry or John. He prefers a bus doesn't mind Harry - long as it's not Hedley - either way, there can't be any people who would disagree with the view that Greenough, the managing director, is a deputy chief of Staff, is a fine choice as successor to Lord Watkinson as president of the CBI.

He comes to the job with a rough grounding in the Lord's work and, if unlike Lord Watkinson he has never actually been in politics, he has a near enough to develop a secure footing. He is known as a respected in Whitehall, in Westminster. As chairman of the United Kingdom Industry Emergency Committee, he was reactivated to advise it and keep essential supplies running during Lord Heath's three-day strike. He was one of the few less stories of that lamentable episode.

He was by then already, at top of his own industry, high in the wigmans of the UK. He joined the council of confederation in 1971, subsequently sitting on the economic policy and then the finance committee.

There, curiously enough, for former Minister of Defence, George, Lord Watkinson, was at his happiest on the Stock Greenborough is a man. He is trained with the American as a pilot during the war. Few Catalinas, the flying plane with its own built-in headwind. Much the same

could be said of the CBI but less diplomacy and the director of the new Director-General, John Methven, should cut through a lot of that.

### Populist

Ralph Stow, the managing director of the Cheltenham and Gloucester Building Society, who was yesterday elected chairman of the Building Societies Association, is a very different man from his predecessor, Raymond Potter, chairman of the Halifax.

Stow is an active, some would say aggressive, protagonist of the building society movement - a word which he personally deprecates. He prefers to refer to building societies as an "industry", believing that commercial realism has its place alongside the social obligations felt by and expected of building societies.

Although Potter came armed with the highest credentials for leadership of the building societies, friendship with the Chancellor of the Exchequer, not least among them, his term of office has had but a muted impact on the problems of the societies and on their relationship with the government.

His shy, intellectual style has not been to the liking of all building society men. It is seen, but his incisive manner and blunt approach - he is noted for giving direct answers to direct questions - should result in some sharp interchanges between himself and the movement's "sorriest, the industry's" detractors.

Arabesque: what stage it marks in the transformation of London, we're not quite sure. But yesterday we saw Arabic graffiti on a wall in the capital for the first time. Perhaps better left untranslated, it was in an underground station, Bond Street, naturally.

### Holy orders

Midland and Barclays are the only banks to have run into trouble from their shareholders

over lending to South Africa. Tim Smith, of the portentously named Interface Center for Corporate Responsibility, an American body needless to say, not least among them, his term of office has had but a muted impact on the problems of the societies and on their relationship with the government.

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Midland and Barclays are the only banks to have run into trouble from their shareholders

## Towards a sensible, long-term structure for pay bargaining

John Methven, Director General of the CBI, discusses the confederation's suggestions for a fresh approach to wage determination

During the past five years thoughts of pay can scarcely ever have been absent from the minds of government, employers, unions and newspaper editors. Yet no attempt has so far been made to take a long-term coherent look at the way we bargain about pay in the United Kingdom and why is that this country has so often resorted to pay policies?

So, before we discuss the next 12 months, I would like for once look rather further ahead.

What sort of long-term pay bargaining structure do we want?

It is a truism to say that since the way Britain has been far less successful than most in maintaining greater competition and more importantly less successful than we were quite capable of being, if only we had managed our affairs more sensibly. We are today a low growth, low productivity, low earnings economy, with the highest unemployment level since the 1930s, the very reverse of what we should be - and what we still can be if we take a number of right decisions now.

One of those decisions is about the nature of our pay system, which has been a major source of economic weakness in the past. The Confederation of British Industry will be publishing very shortly a major discussion document, *The Future of Pay Determination*, which I hope will be carefully considered not just by CBI members, but also by government, by the unions, and by the public at large; because unless the need for radical change in this most sensitive area is acknowledged, change will happen in the worst possible way, as an unplanned ad hoc reaction to a specific emergency, as it has so often happened over the past 15 years.

What the CBI is proposing on pay determination is in essence very simple - that a strengthened system of free collective bargaining should take place within a framework of a much wider understanding of what can be afforded both nationally and in individual companies and industries.

The overall picture at the moment is one of steady, if unexciting, progress elsewhere in the group being overshadowed by continuing difficulties on the bakery side. Here the endless rise in raw material and other costs that cannot be recouped by price increases has eaten into margins and, as elsewhere, the bakery business is struggling to break even.

The latest price in a standard loaf will come as little relief, and with the second half of the year looking as bad as the first, the CBI's forecast of a lower pre-tax total than last year's £39.8m points to real pressure on the other bakeries as well, since the group will also be benefiting from a modest gain in a second half.

On the new construction date should be maintained to meet the expected upswing of the steel cycle profits growth in the meantime is likely to provide little excitement.

Baker side, RHM's milling operations have kept on an even keel despite high grain prices. The aftermath of the summer drought has produced much improved results from agriculture as well, while the overseas operations, albeit still modest, are strengthening.

Nevertheless, the problems in the bakery division are putting increasing strain on working capital which rose some £15m to £20m in the first half, and that, coupled with higher interest rates, pushed up financing charges a quarter to £5.4m.

Gross borrowings at the time of the United States acquisition were £14m and those have apparently come down, net assets of £194m mean that RHM needs to keep its capital structure under review. Meanwhile, the bakery group has started to underperform but a 10 per cent yield is a good enough backdrop so long as the new Price Commission does not bear its teeth too much.

Interim: 1976-77 (1975-76) Capitalisation £128m Sales £55.9m (£142m) Pre-tax profits £20.5m (£19.7m) Dividend gross 2.03p (1.85p)

anomalies, there is a great danger that pay settlements would be far, far higher than we can afford.

Even with restraint, my guess is that our inflation rate will remain higher than that of our competitors next year, with all that means in terms of lost sales and jobs.

As I see it, the arithmetic goes something like this: on certain reasonable assumptions about the exchange rate, commodity prices and company profits, prices by the middle of 1978 will be less than 10 per cent above the level of the middle of this year, provided that earnings increase by only about 6 per cent. If earnings go up by more than this, prices will also go up further and the level of unemployment will be higher than otherwise would be.

In terms of living standards it means that with the Chancellor's tax concessions, the average worker will be no worse off, but will not be able to buy a car which he has lost in this last year. That will have to wait until a nation we are creating more real wealth.

How we provide for some flexibility is still very much open to discussion, but I am bound to say that the CBI has very little time for one idea that is floating around - "kitty bargaining". This idea has been tried before in various forms and has not increased flexibility. The "kitty" has been merely added to the general norm - in other words, everyone has got an equal payment.

Research that the CBI and others have done shows without a doubt the benefits to the efficient running of companies of involved and committed employees. Commitment without information is neither sensible nor possible.

As for the mechanics, the CBI proposals envisage a period before the Budget when government, employers, unions, Parliament and others would discuss economic prospects and reach as broad a measure of agreement as possible. This would be reflected in the Budget itself and in the main bargaining period which we suggest should be telescoped to take place in the three to four months immediately following it.

In this way, a "national consensus" would have as big an impact as possible on establishing the "going rate" for settlements, but it would not, of course, prevent a particular company or industry reaching any level of settlement it could afford. Telescoping the bargaining round would also help prevent "leapfrogging" and would mean that most bargains were struck against a similar economic background.

If this is the long-term direction in which we may wish to move, what about the short term? Do we need a Year Three? Or can we afford to move directly to a much freer system?

Very reluctantly - because I personally am a passionate believer in the market economy as the most efficient as well as the justest way to run our affairs - I think we need a further period of pay restraint.

I say this for two reasons. First, our inflation rate is still too high and the rate of growth is still too strong in the weak. But the way to reverse this balance is, I suggest, not drastically to weaken the unions - in a paradoxical way they are

dam and the Algemene Bank Nederland, to stop lending to the South African government or its agencies until "legally enforced racism" has been abolished.

Smith will have plenty to tell delegates, for among American banks Chase Manhattan has now decided to make no loans with "identifiably harmful results", which on its own definition includes loans to the Bantustans and Namibia. The United States churches are also tackling five other United States banks about loans to South Africa as well as oil companies about supplying Rhodesia.

He reckons that the churches' attitude is now hardening against the view that foreign-owned companies are a force for good in southern Africa just by being there, and that demands for not only an end to new investment, but perhaps even for withdrawal, may result. The banks, the oil companies and those perennial favourites, the armaments manufacturers, are likely to be hearing all about it at their next annual general meetings.

We telephoned Ward Thomas, the chairman of Trident Television, yesterday to discuss the arrival on the board of Kerry Packer, the Australian publisher and television station owner who figures in the dismissal of Tony Greig as captain of the England cricket team. Found ourselves in a crossed line and ended up listening to a Post Office commercial for the dial-a-cricket-score service.

## Economic notebook

### Keynes rides again

There is nothing quite like the output which it will bring forth.

But in the process of dealing with some of the problems, the Chancellor does seem to be sweeping others under the carpet.

Although our trade figures have been improving quite dramatically, the United Kingdom has a substantial trade deficit (possibly £2,000m) on its non-oil account. Yet if the economy is allowed to expand, our non-oil deficit will grow as well.

Indeed, using the oil earnings to cover a large deficit on the rest of our account is the only possible interpretation of what Mr Healey was telling about. At the moment, industry will become more efficient over the years and argues that oil must be used to help achieve that.

If industry does not improve then it will be even more dangerous to enter the late 1980s with oil running out a deficit on our non-oil account at a high level and the need to cut back on living standards.

The Chancellor clearly sees the need to avoid that latter possibility. But it is difficult to know what, apart from constant invocations of the virtues of government assistance to the iron foundry industry, he sees as providing the means of doing so.

David Blake

## The productivity dilemma

Britain's high unemployment

is naturally a cause for concern. However, it is in one sense worryingly low. For the present level of employment in Britain is remarkably high in relation to output, and that is just another way of saying that productivity is low.

Improved living standards depend in the long term on increases in productivity. At the heart of the debate over how to achieve it, if productivity agreements are to be allowed, then the productivity must be monitored and only paid for after measured improvements have been made.

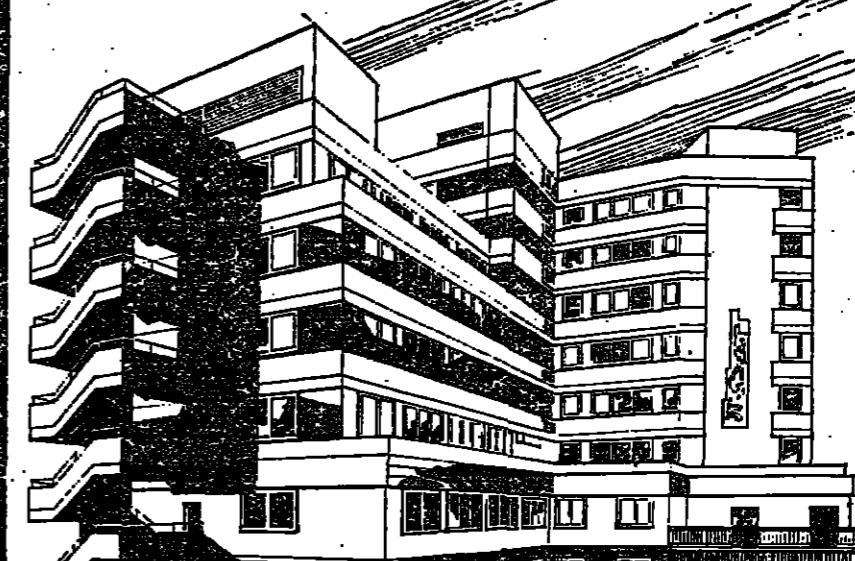
Whatever happens in stage three we really must stop the perennial last-minute讨价还价 on the pay front. That is why I place the highest importance on getting agreement before the end of this year on the broad direction of long-term change we should take.

No one has won from the existing system - certainly not the unions, certainly not the managers and certainly not the country as a whole. We must find a better way.

Underlying changes in productivity will be easier to decide as output continues to grow. If measured productivity recovers for employment for several years to come is grimmer than has yet been admitted. If it does not, there will not be much room for increased real wages without a loss of competitiveness.

Caroline Atkinson

## Attention all Managing Directors!



## FINANCIAL NEWS AND MARKET REPORTS

## Stock markets

## Investors return on Healey optimism

The Chancellor's optimistic view of economic prospects brought the big investors back into the arena and share prices quickly went to another four year high.

There was a spell around lunchtime when prices seemed to be boiling over, but unconfirmed reports of another North Sea strike by BP—one of the main planks of Mr Healey's optimism—brought renewed demand.

Mounting hopes of another cut in the Minimum Lending Rate and demand for the next account, which lasts for three weeks, also helped to push shares along and the FT Index closed 9.2 up at 477.6, its best level of the day.

Gilt-edged stocks made the running in early trading and

ment and rose another 10p to 207p and for a similar reason Glynn was well supported at 120p, better by 5p. For the second day running Bradford attracted support, rising another 8p to 248p, and among the majors GKN was a firm spot at 361p, up 11p.

Interim figures also made little impact on Rank Hovis McDougall at 47p but Reckitt & Colman put on 5p to 427p in front of the annual meeting.

Hoping for better terms transport group Lyon & Lyon rose 5p to 63p while speculative interest helped Savoy 'A' to close 5p ahead at 62p.

Profit taking after the Lonrho terms hit AVP, which lost 4p to 125p; MK Refrigeration shot up 8p to 120p on bid hopes and Laurence Scott, though unchanged at 128p, were actively traded in the hope of getting further news in the near future.

The BP reports helped the share to rise 14p to 560p after a couple of price better than that while Shell added 11p to 549p in sympathy, as did Unicarrier, up 6p to 194p. North Sea

Thomas Borthwick has just returned in encouraging interim figures (sales and profits up 27 per cent) and thoughts are now turning towards J. E. Sanger in the import, export and wholesaling of meat and meat products. The group reports in full on the year to last March and profits could have risen from £1.5m to around £1.7m. The first half year was good. The shares at 45p yield a useful 14.8 per cent.

many long dates quickly rose by up to three-quarters of a point. Later, money market signals indicating caution on interest rates clipped many prices back and by the close rises were in the three-eighths to one half range.

"Shorts" ended the session little changed or just a shade harder.

In the engineering sector investors were attracted by Davy International's big Russian order and the shares jumped 12p to 228p on a lively demand. John Brown was again helped by favourable con-

ditions.

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis.

To establish gross multiply the net dividend by 1.54. \* To reduce disparity between payments. + On increased capital. £ Excludes special dividend of 3p per share. \* Adjusted for strip issue.

## Latest dividends

Company	Ord div	Year ago	Pay date	Year's total	Prev year
Andra Silentbloc	1.5	1.22	1/7	2.44	1.76
Chamberlin & Hill (5p) Fin	1.34	1.22	1/7	2.22	1.76
Concentric (5p) Fin	0.85	0.72	1/7	2.24	1.76
Dupont (25p) Fin	2.0	1.62	14/7	5.27	3.65
Fashion & Gen Inv (5p) Fin	2.39	2.17	21/6	4.02	3.65
Folkes Hefo (5p) Fin	2.66	2.42	21/6	4.42	4.02
G. & G. Kynoch (5p) Fin	0.88	0.78	8/3	1.22	1.11
Hambros Inv (25p) Fin	1.82	1.85	30/7	3.25	4.24
HD & L (10p) Fin	1.02	1.04	11/7	1.58	1.58
London Piv Inv (5p) Fin	1.5	1.16	21/7	2.4	2.0
London Trust (25p) Fin	4.75	3.5	8/7	7.0	5.5
Newman Inds (25p) Fin	1.91	1.68	—	3.16	2.88
Nimt Amer Trust (25p) Fin	1.0	0.7	1/7	—	2.45
Rank Hovis (25p) Fin	0.32	0.32	18/7	1.24	2.94
Red Heslop Inv (10p) Fin	0.93	0.79	1/7	1.42	1.13
Red Heslop Inv (10p) Fin	0.81	0.65	3/10	1.65	1.55
Southend Stadium (10p) Fin	0.31	0.28	—	0.31	0.28
Trident TV (25p) Fin	0.84	0.7	6/9	2.32	2.85
McNeil Group (25p) Fin	1.6	1.93	—	2.85	2.85

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## Good start for Taylor Woodrow

Mr R. G. Puttick, chairman of Taylor Woodrow, the international construction group, says in his annual report that it has made an encouraging start to this year.

The Queen's Award to Industry, received by Taylor Woodrow, reflects the substantial amount of overseas business carried out by the group in 1976.

The chairman adds that of the £20.9m in pre-tax profits, £1.4m came from overseas. This represented an increase of 42 per cent on 1975 and a record for the sixteenth year running.

The chairman also mentioned the diversifications into specialist operations as having helped to hold Taylor Woodrow in good stead while the construction industry in Britain goes through one of the worst and most prolonged recessions in history.

"The warning has naturally, dampened speculation in the shares but the results for the year to end-February last indicate that Reliant, the "Robin", "Scimitar" and "Kiten" motor manufacturer, has stemmed recent losses and has started along the road to recovery.

**'Leave our money alone'** insurance chiefs say

By Our Financial Staff

The chairman of two of Britain's biggest insurance companies have attacked the Labour Party's proposals for nationalising some companies in the industry.

Speaking at his last annual meeting before retiring, Lord Harcourt, chairman of Legal and General, Britain's second largest life assurance group, confirmed the industry's intention of killing the idea of public ownership of insurers. But he saw as the most urgent problem the alternative proposal that there should be some direction by Government in the investment of insurance company money.

He argued: "The strongest and perhaps the most easily understood argument against direction of investment is that

## Bid target Reliant stems its losses

By Ray Maughan

Asking for a share suspension at 61p yesterday, Reliant Motor confirmed last Monday's announcement that it was holding talks which might lead to a bid.

Shareholders, who include the Standard Chartered Bank through Hodge Group, with 77 per cent of the equity, have already been warned that the bid is likely to come at a lower price than prevailing Stock Exchange valuations.

The February 1976 "balance sheet" shows net assets of 5.5p per share up by the delays in building up "Scimitar" production and the HP restrictions lifted last July on three-wheel vehicles.

The group's wide base offers plenty of scope for a variety of bidders. Suggestions that Guest Keen & Nettlefolds might want to add Reliant to its plastic panels division, however, have been roundly rejected.

**Newman set for leap as Lonrho sells its stake**

It implies the likelihood that funds would be compulsorily diverted into companies which can only offer an uncompetitive return or a high risk of loss.

However, Mr J. E. H. Collins, chairman of Guardian Royal Exchange Assurance, tells shareholders that, as far as the chances of any developments in this field are remote\*.

But he continues, "the very fact that this suggestion has been put to, and received support at a Labour party conference damages our image overseas—we trust only temporarily".

Shareholders at the annual meeting of Sun Alliance and London Insurance heard that the estimate of the position at the end of the first quarter was encouraging.

## Woolworth Interim Report

Three months ended 30th April, 1977

Sale figures and comment from the unaudited statement of profit of the Company and its subsidiaries for the three months ended 30th April, 1977, with comparative figures for the previous financial year.

12 months ended 31st January, 1977	3 months ended 30th April, 1977		
	£000's	£000's	%
Turnover (excluding value added tax)	164,954	155,860	141,972
Trading Profit	45,521	6,923	5,549
Profit before taxation	40,967	5,776	5,054
			14.3

The sales increase of just under 10% reflects the depressed state of consumer spending in our area of the retail market and conditions to date have not been favourable to our spring merchandise programme. We can see no immediate prospect of an upturn in sales.

On the other hand, the profit result has been influenced by trading margins which have the benefit of the change in our merchandise mix; additionally, profits show the effect of improvements in systems and economies of operation.

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Woolworth House, 242/246, Marylebone Road, London NW1 5JL

## Prospering Redman H'n leaps 142 pc

By our Financial Staff

A pre-tax profit for the year amounted to £360,000 against losses of £89,000 in the year before.

At the halfway stage, Reliant's profit was £352,000 in the red but, with one exception, the three engineering subsidiaries had performed well.

The exception, glass fibre

crew cabs maker, Hodgkinson

Benedum underwent a major

reorganization and the ensuing

deficit wiped out the profits from the remaining engineering

companies.

The motor division was held

up by the delays in building up

"Scimitar" production and the

HP restrictions lifted last July on three-wheel vehicles.

The group's wide base offers

plenty of scope for a variety of

bidders. Suggestions that Guest

Keen & Nettlefolds might want

to add Reliant to its plastic

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The board points out, however, that the new activities

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# Stock Exchange Prices Back on upward path

Account Days: Dealings Began, May 9. Dealings End, May 20. 5 Contract Day, May 23. Settlement Day, May 31.

§ Forward bargains are permitted on two previous days.

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to Chairman of

Knightbridge Advertising Agency

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seeks a shorthand Secretary for their office in Central London. Good secretarial experience, as well as good general office experience, is required. Interviews: 21st May, 1977. Applications: 31 Victoria St., W.C.1. Tel: 01-499 2712.

TELEPHONE

839 5226

## CHIEF ARCHITECT'S SECRETARY

WEST LONDON

Our Chief Architect - responsible for co-ordinating design work on world-wide, multi-million pound construction contracts - needs an experienced Secretary with considerable organisational ability to play a leading role in his small, close-knit professional team.

It is unusually interesting work and, although part of a major international company, this predominantly young department operates as an autonomous unit, allowing for close working relationships and great degree of personal involvement.

A good "communicator" both orally and in writing, you will be largely responsible for inter-departmental liaison in the Architect's absence - often at senior management level. Good shorthand and typing speeds are, of course, essential.

The starting salary is negotiable, and will be supported by a full range of generous benefits. Our modern, well-equipped offices are well placed for transport and shopping.

For full information, please phone Joan Palmer on 01-748 2600 ext. 2065.

George Wimpey & Co. Limited,  
28-28 Hammersmith Grove  
London, W6 7EN

## PERSONAL ASSISTANT/ SECRETARY

Our Personnel Manager urgently needs someone with good shorthand and typing skills to help him not only run the day-to-day activities of a busy Personnel Department, but also to undertake a variety of personnel orientated projects such as salary surveys, manpower turnover, etc.

The ideal person would probably be aged over 25, have lots of initiative and either experience of working in a personnel department or a similarly demanding environment. This post could have special appeal to someone with a higher than average level of academic education, possibly including some "A" levels.

Our offices are based by the river Thames at Kew and some of the benefits offered include a competitive salary, non-contributory pension scheme and free life assurance, together with an excellent subsidised canteen, plus L.V.s and social club, etc.

Interested? Then telephone Mrs Sue Vernon

immediately on 01-995 1322

THE RALPH M. PARSONS CO LTD.,  
Parsons House, Kew Bridge Road, Brentford, Middx.

educated • persevering • ambitious

## VIRTUOSO

copytypists or typesetters 22-35yrs

Escape from your present dead-end

Gain expertise, training  
and management opportunity

Salary £3500 - £4500 plus voluntary overtime

We also need unskilled school-leavers (16 - 18), and new graduates, for tough business training leading to junior management: also student part-timers and part-time translators.

Letterstream has a lot of fun with high technology-processing work for other companies, relieving drudgery and space. Growth of approximately 10% per month has come from a young original team of above average dedication, backed by the most advanced office machinery available in the world e.g. colour photocopying, ink jet writers, electronic composers, high speed collating, justifying type-writers, litho-presses etc.

The staff structure appears to bring out the best in people - flexibility - no sacking for mistakes or personality conflicts - frank, direct interchange of views, promotion and/or reward strictly for performance.

Customers remark on the air of vitality about the place.

If you care about Britain's declining spiral, and show a sense of outrage when someone answers "sorry we're shut", you may find Letterstream is actually doing something about it, and employs exciting people.

For an appointment to visit the company, telephone Edward Kalfayan or Vicki Reid at 01-499-0628 or write to

## letterstream

3 Shepherd Market Mayfair London W1Y 4FL  
45 Conduit Street Mayfair London W1

## Something different and worthwhile

The Rev. Andrew Smith who directs a go-ahead community settlement - the Oxford House in Bethnal Green - requires a Secretary/PA. Knowledge of community work useful. Good secretarial experience is essential as is an interest in people. This is a senior appointment with a salary of around £3,250 plus six weeks annual holiday.

Please telephone our administrator, Susan Northover, on 01-739 9093.

## SPRECHEN SIE DEUTSCH?

We are a small friendly Company near Piccadilly Circus and are searching for two bilingual Secretaries, German/English, to work for two of our young Product Executives. If you are 23+, think you are worth a good salary, intelligent, mature, able to work on your own with a good telephone manner, please contact:

Vanessa Durham 01-930 4504/9

BILINGUAL SECRETARY

A mature person is required for a senior secretarial post with a company based near South Kensington Station. Applicants must be fluent in French and have excellent secretarial and organizing abilities.

Salary from £4,000

Age from 25

Please for an immediate appointment and further details please telephone the Personnel Department

01-589 1460

## OPENING SHORTLY IN NEW BOND STREET LONDON

requires the following experienced staff to sell the beautiful hand-made clothes which Carl Lagerseld will be sending from Paris.

MANAGER  
(male or female)

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All position offer competitive salaries together with generous fringe benefits.

Please apply, with full details of past experience, to: Box 0530 J. The Times.

## SECRETARY/ASSISTANT 4,000-4,400 p.a.

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Trout-shoots "type" company

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Secretary of charm to help

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# Focus on the West Country

## Cluttons

### GLASTONBURY

A superbly appointed country residence standing in secluded gardens and grounds with a luxury covered heated swimming pool and an all-weather tennis court. The property has been especially designed and fitted to minimise maintenance costs and stands within easy distance of Bristol and Bath with Millfield School, Street, close at hand.

2 reception rooms, kitchen, utility room, 4 bedrooms, 2 bathrooms, etc., 2 double garages, workshops and summer house.

#### FOR SALE BY PRIVATE TREATY

Offers towards £75,000 are invited. Apply Wells office.

### NR. BATH

Delightful period farmhouse in peaceful and secluded valley setting within 3 miles of City. Fully modernised and recently fitted with drawing room, dining room, playroom/study, fitted kitchen with Aga, cloakroom, cellar, 6 bedrooms, 2 bathrooms, oil C.H., garaging, utility, etc. Informal gardens and grounds of about 2 acres.

#### FOR SALE BY PRIVATE TREATY

Offers over £50,000 to include valuable fitted carpets. Apply Bath office.

**BATH. OFFICE: 9 EDGAR BUILDINGS, GEORGE STREET, BATH. TEL: BATH 64214  
WELLS OFFICE: 10 NEW STREET, WELLS. TEL: WELLS 78012**

The post authority said it could still be a week or two before the 1st day of the second half was given to a higher court, but they have not shown often

## Seawalls

Exclusive flats & houses in an unrivalled position in the favoured Sneyd Park area of Bristol, almost adjacent to Durdham Downs and overlooking the Avon Gorge

over 50% now SOLD and Reserved.

remaining units comprise:

2, 3 or 4 bedrooms, 2 bathrooms, superb reception/dining room with balcony—fitted kitchen & cloakroom

amenities include:

private gardens, garaging, lifts, resident portage service, C.H., etc. Leases 999 years — no ground rent.

For appointment to view contact:

### Osmond, Tricks

and Son, Chartered Surveyors

7 & 8 Queen Square

Bristol BS1 4JG

Tel (0272) 293171 (10 lines)

Home buyers' solicitors. A leading City firm which could advise on all aspects of buying a home, including final court, brief consultation, etc. Mr. Martin gave the best advice and looked for faults.

## National Award Winning Bovis Homes in beautiful Cornwall...



by the sea, in the country and the town, superbly sited, well finished and fitted.

- THRURO, 2 & 3 bedroom detached Bungalows from £12,500.
- 4 bedroom detached Homes from £15,500.
- CAMBorne, 4 bedroom detached Houses from £15,500.
- MELIOR, Split level 4 bedroom detached Houses from £14,000.
- GWEK, 3 bedroom detached Bungalows from £13,500.
- BRENEN COVE, ONE ONLY, 3 bedroom detached Bungalow at £13,995.
- LAWTHORN, ONE ONLY, 3 bedroom detached Bungalow at £13,600.
- ... and in glorious Devon.
- BRIDESTOWE, 2 & 3 bedroom detached Bungalows from £12,495.

Full details from Bovis Homes South West Ltd., Castle Lodge, Castle St., Thruro Tel: Thruro 2312.



### CARBIS BAY

An immaculate 3-bedroomed detached bungalow situated in approx. one-fifth acre. Fully C.H., redecorated throughout. Accommodation comprises: lounge, dining room, kitchen/bathroom, sep. w.c., laundry room, 3 bedrooms (1 with bathroom en suite), detached garage. Freehold £24,000.

### ST. IVES

A spacious semi-detached, 4-bedroomed dormer bungalow in excellent condition throughout. Accommodation comprises: entrance hall, lounge/diner, freehold kitchen, bathroom with w.c., detached garage. Freehold £15,000. D.P.C.

17 Fore Street, St. Ives, Cornwall. Tel. (073 670) 7421

### CHURSTON, TORBAY

Closes to golf course, luxury detached, cottage-style residence with enclosed and enviable position. All modern conveniences. Across Torbay, spacious living areas, property with rear garden, 2 double bedrooms, 2 double reception rooms, 2 double garage. £38,000 o.n.o. Apply for full details to: Tresloeg, Treborth, Cornwall. Tel: Tresloeg 610.

**ROSELDORN PENINSULA, CORNWALL**  
Less than 1 mile from the beach, converted M.H. with 3½ bedrooms, 2 reception rooms. Numerous recessions in a unique residence of character, approached by stone steps. Large garden surrounded by part land bordering the River Fowey. 2 fireplaces. Kitchen, double garage. Courtyard garden. 2½ miles to Polzeath.

£43,000

**TILLEY & CULVERWELL, HALSWELL, EXETER**  
Tel. 3241

### SOMERSET

**CHITTEHAMHOLT, MID DEVON**

Secluded country property of 10 acres. 3½ miles from Tiverton. 3½ miles from Chittlehamholt. 2 detached cottages, very extensive modern buildings, the two cottages being 2½ miles apart. Extensive informed grassland and arable land, correct fertiliser application, wheat, barley, 4700 acres arable as a rotation. Preliminary particulars from: Knightsbridge, Northam, Devon. Tel: (088 782) 319.

£43,000

**WYATT, POWELL & CO., CORNWALL, TIVERTON**

Tel: (088 782) 3190

£43,000

**WEST CORNWALL Country Properties Ltd., S.a.e., John Lewing, 100, Market Place, Penzance, Cornwall.**

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## Motoring

## High hopes for Europe, automatically.

the United States more than nine cars out of 10 are sold with automatic transmission. The proportion in Britain and Europe is 10 to 12 per cent and has remained fairly static for over five years.

Henry Borg Warner, the world's independent manufacturer of gearboxes, is convinced that a breakthrough in Europe is imminent because that in another five years' time it may be as much as a judge against them.

Another factor which probably optimises sales talk time will tell. Meanwhile, in association with Saab of Sweden, Borg Warner has assembled data on gearboxes in an attempt to break down what it considers a prejudice against them.

The standard objection to an automatic box, for instance, is that it makes a car slower. Borg Warner grants the expert, and I quote from the *Autocar*, "will get to 60 mph in 10.4 seconds when an automatic gearbox has a figure of 10.6 seconds and 13.2 seconds

respectively. However, with the same car in the hands of average drivers, used, perhaps, to treating their gearboxes with respect, the figures reversed.

The 10 "average" drivers did match their automatic performance with a manual car.

He next objection to automatic, and increasingly raised after the oil is, that it uses more petrol. In Borg Warner's view that is true. Tests on the *Autocar* showed that at a steady 50 mph the manual gear 38 mpg and automatic 34 mpg. At 70 mph the figures were 25 mpg and 23 mpg. However, questions whether such "steady ed" figures correspond with everyday driving experience. It maintains in mixed driving the difference less and that in town, where the automatic always maintains the most efficient engine speed, the advantage go the other way.

The last point is apparently borne

by the experience of the Swedish ice that in city patrol work fuel consumption on automatic cars is either better or no worse than on manuals. About 97 per cent of Swedish ice cars have automatic boxes, which must be some sort of recommendation.

It is often said that because of their complex automatic transmissions are expensive to repair. Borg Warner thinks that is not true.

He also claims that the cost of a manual gear 38 mpg and automatic 34 mpg. At 70 mph the figures were 25 mpg and 23 mpg. However, questions whether such "steady ed" figures correspond with everyday driving experience. It maintains in mixed driving the difference less and that in town, where the automatic always maintains the most efficient engine speed, the advantage go the other way.

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